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AUTHOR Jallade, Jean-Pierre; And Others
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ABSTRACT

The volume is the second of two and presents additional statistical analyses of data discussed in the first, which presented 1960 and 1961 census data from 53 countries in an attempt to identify and quantify factors which determined the occupational and educational structure of the labor force. The second volume consists of eight chapters: (1) a discussion on classification and aggregation problems; (2) supplementary analyses of the data in multiple regression models; (3) analyses of occupational and educational coefficients; (4) analyses of production function equations; (5) a short exposition of information theory as it relates to the aggregation problems in cross-classifications; (6) basic data used for the occupational analysis; (7) basic data used for the occupational/educational analysis; and (8) basic data used for the sectoral/educational analyses. (Author/MDW)

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OCCUPATIONAL AND EDUCATIONAL STRUCTURES OF THE LABOUR FORCE AND LEVELS OF ECONOMIC DEVELOPMENT

Further analyses
and statistical data

*ORGANISATION FOR ECONOMIC
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FOREWORD

This is the second of two volumes on "Occupational and Educational Structures of the Labour Force and Levels of Economic Development".

The first volume contained the analyses of the main relationships between education, occupation and development. This volume consists of a discussion on classification and aggregation problems (Annex A), supplementary analyses of the data by using multiple regression models (Annex B), followed by analyses of occupational and educational coefficients (Annex C) and production function equations (Annex D). It also contains a short exposition of information theory as this relates to the aggregation problem in cross-classifications (Annex E).

Lastly, three Annexes (F, G and H) show a listing of all the numerical observations used throughout the study.

This work was initiated and directed by Louis Emmerij. The bulk of the work has been carried out by Jean-Pierre Jallade, who can be considered as the major author of the study. Daniel Blot is the author of Annex E.

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Annex A

INTRODUCTION TO PROBLEMS OF CLASSIFICATION AND AGGREGATION

This Annex will be devoted to the problem which arises when international data are used, i. e. , the comparability of the data available on the occupational and educational structures of the labour force which, in its turn, is related to the type of classification adopted in the various countries and the degree to which these classifications correspond to the specific needs of manpower-educational planning. Because of the differences in both classification and detail of the data available, and because one would wish to keep as many observations as possible, another problem has to be faced - the so-called aggregation problem. The discussion will be presented under three sub-headings: 1) classification problems related to the industrial-occupational matrices, dealing successively with the occupational classifications, the industrial classifications and the cross-classifications of occupational categories by sector of industrial activity; 2) classification problems related to the occupation-education matrices, dealing specifically with the problems relating to the educational classifications; and 3) problems of aggregation. The first two of these headings will introduce this question, which will be summarised and developed under the third heading.

As its title indicates, this Annex is concerned with a general introduction to these problem areas. Further specific indications were given, where necessary, in the relevant chapters of the first volume.

1. CLASSIFICATION PROBLEMS RELATED TO THE INDUSTRY-OCCUPATION MATRICES

These problems are related to the way in which countries have presented their information on the occupational structure of the labour force by sector of industrial activity. Two distinct classifications are therefore involved (the occupational and the industrial), on top of the

specific problem of how these two have been combined in the cross-tabulations. We are thus concerned respectively with the occupational classification, with the industrial classification, and with cross-classifying occupations by industry.

i) The occupational classification

The occupational distribution of the labour force can be considered as constituting the common denominator between on the one hand, the whole field of economic development and, on the other, the vast area of education and training. This statement indicates immediately the kind of conditions the occupational classification has to fulfil when one is concerned with manpower-educational planning problems*: ideally the classification adopted should make sense in terms of both economic development and educational and training requirements.

The problems raised when using a national occupational classification for purposes of national educational planning are multiplied when dealing with an international comparison of occupational structures in some 50 countries. These problems would be greater still if each country had devised its own classification, taking into account both its special development context and the specific objectives of the analysis. This, indeed, is the vicious circle in which one is caught when commenting on the relevance of the available classifications to an international comparison and to a specific analytical purpose. The international classifications which have been elaborated (and in the field of occupational structure the best known's, of course, the ISCO)** are multi-(analytical) purpose classifications which purport to be both broad and flexible enough to be applicable to countries at different levels of economic and social development. This obviously cannot be avoided, because of the risk of multiplying the number of international occupational classifications, one for each specific analytical purpose, and/or devising a different one for each group of countries within a given range of economic development. Such a multiplication would be very difficult, if not impossible, to handle for most national administrations. If it is, therefore, easy to criticize existing international classifications, they are better than nothing. This will become clear later in this chapter, when we discuss the educational classification for which no international standards exist as yet (although UNESCO is well advanced in elaborating one).

* The expression "manpower-educational planning" is being used here as shorthand for manpower analysis and forecasts for purposes of educational policy and planning, or, in other words, for purposes of quantifying the economic objectives of education as previously defined.

** International Standard Classification of Occupations, ILO, Geneva, 1958.

These observations have to be kept in mind when considering certain critical remarks in the pages which follow. Our discussion on the occupational classification will centre around two points: a) the deficiencies of ISCO for manpower-educational planning purposes; and b) the problems posed by countries which have adopted a different occupational classification.

a) ISCO and manpower-educational planning

The International Standard Classification of Occupations (ISCO) was developed over a number of years by the International Labour Organisation, assisted by the International Conference of Labour Statisticians. It was published for the first time in 1958 and was presented as "a comprehensive multi-purpose instrument for use in the organisation of occupational information".* The basic structure of this classification consists of 10 major groups, including the supplementary group X (workers not classifiable by occupation).** The first four of these major groups correspond roughly to what are called "white-collar" or non-manual workers:

- 0 - professional, technical and related workers,
- 1 - administrative, executive and managerial workers,
- 2 - clerical workers,
- 3 - sales workers.

It is those non-manual categories upon which the occupational analysis of Part Two will mainly concentrate. For the sake of completeness, we also present the five major groups which could be roughly described as being "blue collar" or manual categories (we exclude therefore the above-mentioned major group X);

- 4 - farmers, fishermen, hunters, loggers and related workers,
- 5 - miners, quarrymen and related workers,
- 6 - workers in transport and communication occupations,
- 7/8 - craftsmen, production process workers and labourers,
n. e. c.,
- 9 - service, sport and recreation workers.

The 10 major groups of ISCO are sub-divided into 73 minor groups (at the 2-digit level), 201 unit groups (3-digit level), and 1,345 occupations

* ISCO, op. cit., page iii.

** Members of the armed forces are included in a separate group.

(5-digits). * According to the introductory remarks of the ISCO, "it is believed that the use of the major and minor groups will provide significant data for general economic and social analysis. These, and the unit groups, appear particularly suitable for comparisons of census data. The occupations (5-digits) are expected to serve primarily in placement and for similarly administrative purposes". **

The period during which the ISCO was elaborated (1949-1957) explains to a certain extent why the manpower-educational planner often meets difficulties when using these data. The year of publication of the ISCO (1958) coincides with the emergence of the economics of education and the upsurge in educational planning activities. It would, therefore, be unfair to criticize ISCO for not having taken into consideration the specific needs of the manpower-educational planner during a period when leading works on economic development made only passing references, if any, to the importance of labour skills and of education in the development process.

However, certain criticisms of ISCO are of a more general nature. It has often been claimed that it confuses unduly such things as formal skill, job title, occupational status and functional and industrial affiliation in delimiting the occupations "in terms of the work customarily performed in most countries by the workers concerned". *** It has, therefore, been suggested that the classification should try to distinguish between the work functions actually performed and rank the occupations thus defined by formal and "informal" skill requirements which would reflect the degree of difficulty of the job. While such an approach would obviously present major problems of international consistency, the criticism (if valid) is an important one and would merit ample consideration. ****

Others, and in the first instance ISCO itself, claim that the 5-digit occupations do indeed represent the functions performed. In the words of ISCO: "... the definitions provide descriptions of their functions, duties and tasks, and occupations of workers performing similar types of work are brought together in larger groups". ***** H.S. Parnes agrees: "... since it (ISCO) includes detailed occupational definitions,

* These "occupations" at the 5-digit level are nevertheless still occupational groups. For example, the USA Dictionary of Occupational Titles (DOT) distinguishes around 20,000 occupations at its most detailed level of disaggregation.

** ISCO, op. cit., page 2.

*** ISCO, op. cit., page 2.

**** For a criticism of ISCO along these lines and a suggested new classification of white-collar jobs, see, for example, S. Jonasson "ISCO - A Critical Study, Suggestions for a Revised Structure", in Job Classification and Collective Bargaining, TCO International Seminar, Gallofsta, Sweden, 1966.

***** ISCO, op. cit., page 2.

it allows occupations to be classified on the basis of their functional content, thus minimising the difficulties that arise out of differences in the meaning of national occupational titles". *

These apparently contradictory views are based on the fact that the various authors are not talking at the same level of disaggregation. It is convenient to distinguish between a "vertical disaggregation" and a "horizontal disaggregation" problem. A psychologist who holds the job of a director of a publicity concern will be classified, according to ISCO, as a manager (major group 1) and not as a psychologist (major group 0). However, there is no way of knowing whether he is managing a firm of 10,000 employees or whether he is a "working proprietor" of a five-man bureau. This then is a "vertical disaggregation" problem: possibility to distinguish at one level, impossibility to do so at another level. The "horizontal disaggregation" problem creeps in when, for example, a person declares that he holds the occupation "engineer". The ISCO will rightly classify him in major group 0, minor group 0-0, and unit group 0-02. If, moreover, he declares that he is an electrical engineer, he will be classified in the 5-digit occupation 0-02.24. But if it is asked what the man is actually doing in the "occupation", there is no further answer one can give. He may be assigned to the research department of the firm, or he may be supervising a production line on the shop-floor, or he may be an inspector, etc., etc.; there is no way of knowing it within the framework of the ISCO.

The above considerations already impinge to a large extent upon the preoccupations of the manpower-educational planner, because these functional aspects clearly have educational and training implications. We shall, therefore, turn now to a general discussion of some claims and difficulties of the manpower-educational planner with regard to ISCO. As already mentioned, the ISCO is concerned much more with labour market analysis than with problems of manpower-educational planning. At the higher level of aggregation, the groupings frequently reflect much more socio-economic and/or economic sector criteria than anything else. Particularly upsetting is the fact already mentioned that so little attention has been paid to the skill requirements in various aggregations. Obviously any aggregation of occupations will inevitably raise objections. It may be asked, however, whether the functional homogeneity of major group 0 (professional, technical and related workers) is enhanced by including in it not only clergymen and religious workers, but also artists, dancers and TV announcers, besides such typically middle-level personnel as primary school teachers and technicians. The description of major group 0 in ISCO begins by stating that "many of the definitions of professional occupations refer to the possession by workers in the group concerned of a diploma or

* H. S. Parnes, op. cit., page 25.

university degree or equivalent qualification".* This is clearly an overstatement, as can be seen from the examples above and in Part Three of this study apropos the examination of the actually observed educational profiles of the various occupational groups. This heterogeneity can again be found at the 2-digit level; for example, minor group 0-0 includes not only engineers, who normally should have a university degree, but also surveyors, for whom this is frequently not the case. The same observation can be made for minor group 0-6 within which university teachers and primary school teachers are classified together. Even on the three-digit level (0-69), we still find secondary school and primary school teachers together.

This problem becomes a real handicap when the census data have only been processed up to the 2-digit level, as is sometimes the case, so that it becomes materially impossible to go into more detail. Even when more detailed data are potentially available, the tabulations published in the census documents rarely go beyond the 2-digit level. The type of codification adopted is, therefore, important and, from the manpower-educational planning viewpoint, the ISCO codification leaves much to be desired.

It should be mentioned in this context that the ILO has proposed a revised version of ISCO, which it is hoped will be ready and acceptable in time to be applied during the 1970 round of censuses. The various changes proposed are not likely to be very helpful for purposes of manpower-educational planning. On the contrary, it will be even more difficult to distinguish, for example, between skilled, semi-skilled and unskilled workers, or between professional workers and technicians (see also footnote * on the following page).

b) Problems posed by countries not using ISCO for the census

The ISCO was adopted by a large number of countries for the 1960 census. The countries which have not used the ISCO in their latest census can be divided into two categories: those which have a classification similar to ISCO, and those whose occupational classification is substantially different from it. In the former category, one could rank the United States and the Latin-American countries. The latter have for the most part adopted the COTA 1960.** This classification is quite close to the ISCO and the two can easily be translated into each other. There is one important difference, however: at the 2-digit level, the ISCO distinguishes "draughtsmen and technicians" (0X), a distinction which does not exist in the COTA 1960, where technicians are classified at the 3-digit level, together with engineers, chemists, agronomists,

* ISCO, *op. cit.*, page 7.

** Programa del Censo de América de 1960, Panamerican Union, Washington.

etc. This has, of course, the potential advantage that one can separate the various types of technicians. However, as for many countries the data are only available up to the 2-digit level, it follows that for many Latin-American countries, minor groups 0-0, 0-1 and 0-2 include scientists and technologists as well as middle-level technicians.*

In the second category are included such countries as France, Germany, Finland, Israel and the socialist countries, for which it has been more difficult to arrive at a comparable framework of reference.

iii) The industrial classification

Of the various types of classification (occupational, educational, industrial) discussed here, the industrial one poses least problem. This is so because such an international classification has been in use since 1948 and has been adopted by most countries.** It should be mentioned that the ISIC classifies the data according to establishments, i.e., "an economic unit which engages, under a single ownership or control, in one, or predominantly one, kind of economic activity at a single physical location".*** It is therefore not rigorously a classification by commodity****. If one wanted to examine the occupational structure of a sector as derived from commodity demand, this would be possible only in so far as the product-sector relation is unequivocal.*****

The ISIC also serves as a basis for the United Nations National Accounts Statistics, and this has facilitated partly the collection of data concerning the indicators of economic and technological development which serve as explanatory variables in the analysis presented in Parts Two to Five of this study.

The fact that most countries have adopted the ISIC, does not by itself solve all problems. The question of the heterogeneity of sector composition becomes important in international comparisons. To give an example, it would not make much sense to compare the sector "mining and quarrying" in countries A and B if mining in A were concentrated on the production of crude petroleum, and in B on coal and

* In the revised version of ISCO, the same procedure is proposed, i.e., to distribute the technicians among the various professional sub-groups. In order to be useful to the manpower-educational planner, more detailed tabulations (at least up to the 3-digit level) will therefore be required.

** We refer, of course, to the ISIC - International Standard Industrial Classification of All Economic Activities, UNO, New York.

*** ISIC, op. cit., page 2.

**** For an example of such a classification, see the U.N. Standard International Trade Classification, SITC.

***** This, however, is the usual assumption in economic research. See, for example, A.B. Chenery, Patterns of Industrial Growth, AER, September, 1960.

metal-mining. This is, of course, partly an aggregation problem. In practice, at rather high levels of sector aggregation, this problem of heterogeneity is difficult to avoid. *

iii) Cross-classification of occupational categories
by sectors of economic activity

As for the availability and coverage of data with regard to occupational categories cross-classified by economic sectors, we refer to the companion volume, Statistics of the Occupational and Educational Structure of the Labour Force in Fifty-Three Countries (OECD, 1969), which contains the tabulations on which the analyses presented here are based.

The various sources from which the data are drawn, as well as the definitions concerning the labour force, can be found in that publication under the relevant tables cross-classifying the occupational structure with sectors of economic activity.

We have not always used the maximum detail available for the various countries. The reasons for this will be given later in this Annex.

2. CLASSIFICATION PROBLEMS RELATED TO
OCCUPATION-EDUCATION MATRICES

Let us deal now with two points: a) special problems raised by the occupational classification cross-classified by educational categories; b) further study of classification problems relating to levels and branches of education as distinguished in the educational structure of the labour force.

The sample size used for the occupation-education matrices is not necessarily the same as that used for the more traditional kind of census information. A certain number of difficulties and inconsistencies were, therefore, encountered in the definition and the size of the labour force when working with these matrices. For the sake of clarity, we have summarised the sources and definitions used in Table A. 1.

i) Problems of classification and aggregation
in occupational categories

As these problems were discussed above, they only concern us here in so far as the breakdown of the occupational groups by level of education effectively imposes new constraints.

* We will come back to this point in the analysis of the results to be presented in Part Two.

First of all, it has to be pointed out that the bulk of the analysis of the educational profile of the occupational categories presented in this study was carried out at the level of the whole economy. Rare indeed are the countries which give three-way tabulations (occupation - education - economic sector) that would have made it possible to bring the analysis down to the sector level. There are, however, a few countries for which this information is available, and this is presented and analysed in Part Five.

Having said this, we shall now return to the occupation-education matrices available for the whole economy. A systematic study was made of five of the ISCO major groups, broken down by level of education: major groups 0 and 1, because they include the largest proportion of highly qualified personnel; major groups 2 and 3, because they tend to absorb more and more secondary and even university graduates, and major group 7.5, because of its quantitative and qualitative importance for industrial development. Major groups 4, and 5 to 7/8 were also analysed by taking the average number of years per head embodied in each of these groups. Given the very aggregated educational classification with which we have to work (see below, paragraph ii), this seemed the better educational indicator for these occupational groups.

Further, the available statistics make it possible to sub-divide the important major group 0 into a number of minor groups (see above). Unfortunately, many countries - about half - do not cross-classify these minor groups by levels of education. We had, therefore, to confine ourselves to studying the educational profile of:

- a category we shall label "scientific and technical personnel" (STP), composed of ISCO's minor groups 0-0, 0-1, 0-2 and 0-X;
- the technician's category consisting of the single minor group 0-X.

ii) Problems of comparing levels of education

Until recently, most studies aiming at international comparisons concerning the "quality" of the labour force have had to take as an indicator of the level of education approximations, such as enrolment rates, whether or not adjusted for the length of studies; the proportion of national income expended on education; the proportion of university students enrolled in the science and technology branches, etc.* It need hardly be said that the authors were perfectly aware of the limitations

* See in particular W. Galenson and G. Pyatt, The Quality of Labour and Economic Development in Certain Countries, ILO, Geneva, 1964, and Harbison and Myers, Education, Manpower and Economic Growth, McGraw-Hill, 1963, which gives on page 27 a whole series of indicators of this type.

of these indicators, which were adopted in the absence of comparable data on the educational stock of the labour force. Thus, country A, with a large scale recent development of secondary education to its credit, may show a high enrolment rate for the corresponding age group; but if this improvement is very recent, the annual flows of certificate-holders will barely have had time to make an appreciable difference to the educational stock of the active population. Conversely, country B may have maintained the same average enrolment rate in secondary education for 20 years; this country's educational stock may then be higher than country A's, although its present enrolment rate may be lower. There is all the more chance of such situations arising as the annual flows of certificate-holders entering the labour force are small in relation to the total stock, which in fact takes 40 to 50 years to be completely renewed.

The advantage of working with stock indicators rather than flow indicators is quite obvious in this case, although the problems of comparison of the national classifications adopted for education may perhaps be harder to solve. A definite drawback of our data is that they only measure the stock of the formal by educated labour force, and hence do not take into account skills obtained by other means, such as on- and off-the-job training, experience in job operation, etc. Our data also give the same weight to a person educated forty years ago and one who finished his education one month before the census.

The various methods of classifying the educational stock of a population have been the subject of study by different international bodies*, but no common pattern has emerged as yet. It is therefore, necessary to discuss the different classifications used in the countries which are included in our analysis in order to understand more clearly the constraints under which the common classification had to be adopted.

a) Data by years of study within an educational cycle

One of the more interesting methods of presenting the educational attainment of the population consists in a breakdown by years of schooling completed within each cycle. Only four countries present their data in this way: Chile, Ecuador, Honduras and the Philippines. They are followed by a group of six countries where the method used is to supply data, not by individual years of schooling completed, but by batches covering two or three years' schooling, either indicating the cycle concerned (Canada, United States, Israel, Panama and Uruguay) or not (Korea). A direct comparison of these ten countries might necessitate

* See for example, *Methods and Statistical Needs for Educational Planning*, OECD, 1967, pages 144 et seq. As mentioned earlier, UNESCO is well advanced in preparing a standard educational classification - the equivalent of ISCO for educational stock data.

the elimination of Uruguay and the United States, as their data are not sufficiently detailed, as well as Israel, whose "cutting off points" by years are very different from those used by other countries.* For these countries, however, interpolations, inevitably rather rough, would be feasible.

There remains nevertheless a difficulty in converting "years of schooling completed" into "grades or forms completed". It is not always clear from the data which concept was used. Normally, the number of years of schooling would over-estimate the number of grades completed, because of "repeats".

The classification by number of grades completed is of great interest for any attempt at an accurate comparison of the educational stock of two populations. Frequently, however, the countries with this type of classification give little or no information on branches of education within the various levels, nor is the definition of a "completed cycle" always very clear.

b) Classification by certificates and degrees obtained

Census data concerning levels of educational attainment - France is a notable example - are based exclusively on certificates and degrees obtained. In these cases, the actual educational stock is considerably underestimated - a pupil who has never succeeded in passing the baccalauréat will be classified in the "primary school certificate" category (or even "without diploma").

In general, however, information on formal qualifications obtained is essential in order to supplement the data concerning years of schooling. This is particularly the case at the higher level, and in fact at all levels where education is not strictly organised by grades. There are indeed many reasons to believe that the "value" of one year of higher studies varies from country to country.

The problem could, of course, be approached in another way, by considering years of higher study as being of equal value in all countries, then the degrees themselves would not be comparable. Thus, a first university degree of the B.A. type in the United States, obtained after four years of college, is generally considered of less value than a first degree in the Netherlands, for example, which may require six to seven years of full-time study.

* Some countries possess unpublished data on the educational stock by years or groups of years of schooling, which might allow them to be included in this list. This is, for example, the case for Argentina: the data concerned are unpublished figures of the 10% sample of the 1960 census, used for Education, Human Resources and Development in Argentina, OECD, Paris, 1967. For France, see the study made by the Institut Français de Développement Economique et Social: L'éducation de la population française et son évolution de 1950 à 1965.

In spite of these difficulties, the certificate or the degree remains the most usual criterion in studying the supply of and demand for qualified personnel. It constitutes practically the only "quality label" to facilitate the "trade" in graduates in the national and international labour markets.

c) Classification by level of studies

Some countries use the "level of studies reached" to estimate the educational attainment of the population. "Level of studies" is then synonymous with "cycle"; this is the case in Peru, Hong Kong and Norway.* The cycle may cover the whole corresponding level of education, or only half of it if the educational system divides each level into a lower and an upper cycle. In any event, it is always extremely difficult to separate those who have completed the cycle from those who have only reached it, as the necessary information on dropouts is usually not available. Generally speaking, we have refrained from this type of approximation, except for countries distinguishing very short cycles - a maximum of two years.

d) Types of courses and subjects studied

Ten countries state in varying detail the discipline in which university degrees were obtained. The breakdown adopted is the one recommended by UNESCO. For eight of these countries, the data by discipline can be directly obtained from the census returns**; for Argentina and Peru, the information can be drawn from the tabulations based on special samples of the census returns.*** Moreover, for the United States, the National Opinion Research Centre conducted an enquiry among 50,000 college graduates out of a total of 3,750,000 as given by the 1960 Census; a breakdown of these graduates into 15 disciplines is shown.**** Such data by branch of university education are, unfortunately, too scarce to lend themselves to exhaustive statistical treatment. They are therefore, excluded from the analysis presented in Parts Three and Four.

At the secondary level of education, around ten countries again (but not necessarily the same as those mentioned above) specify the

* For secondary education only in the case of Norway.

** Finland, Hungary, Israel, Netherlands, Norway, Portugal, Sweden and Yugoslavia.

*** 20 and 10% respectively. For Argentina, *op. cit.*, Part III; for Peru, see Education, Human Resources and Development in Peru, OECD, 1968.

**** M.A. Schwartz, The United States College Educated Population, 1960, National Opinion Research Center, October, 1965, pages 72 *et seq.*

type of education taken: general, technical or commercial. For the reason given above, these sub-divisions have to be ignored in the statistical analysis, and "second-level" is used to cover all types of formal secondary education as given by the census data.

iii) Common classification adopted for educational data

The common educational classification adopted in the remainder of this study is concerned with 25 countries representing a wide range of stages of development, since it includes the United States and Sweden, as well as Pakistan and Korea. Ten of these countries are Members of the OECD. Geographically, America is the best represented continent (with nine countries, including seven in Latin America), followed by Europe and Asia (with seven countries each), and Africa with three. A complete list of the countries is given in Table A.2 which also indicates in what form the educational data for these countries were available. From the foregoing comments on the heterogeneity of the educational classifications in use, it will be clear that the common classification finally adopted must be a compromise, and not a very detailed one at that. It had to be sufficiently wide to be applicable to a very heterogeneous group of countries, but at the same time sufficiently precise to have any meaning. In addition, we had to aim at the greatest possible number of observations by level in order to arrive at statistically meaningful results in the analysis.

The classification finally adopted contains the four following levels of education:

- university degree,
- complete secondary and beyond,
- more than eight years' schooling,
- eight years' schooling or less.

Two general points have to be underlined: first, the levels of education distinguished correspond as much as possible to actual stages in the educational system which are common to the 25 countries in the group. This is the reason why the above classification has taken as "cutting off" point eight years' schooling many developed countries do not make a clear distinction for levels below that corresponding to compulsory education.

Secondly, the levels of education selected are cumulative rather than mutually exclusive. This was done in order to avoid certain ambiguities in the definitions of intermediate levels of education (see below).

Let us then briefly review each of the levels and give some indication of their relative importance as well as of the problems they raise.

a) University degree

A glance at Table A. 2 suggests that this level raises apparently the least problems for the countries under review, with a few notable exceptions, such as the United Kingdom* and Pakistan. We are here, of course, mainly concerned with the first university degree; only the United States and the UAR mention a "doctorate level"; these are included with first degrees. ** Some estimates had to be made, however, for those countries which classified their educational data by years of schooling, without mentioning degrees. These are chiefly Latin-American countries (Chile, Ecuador, Honduras) or Asian countries (Korea and the Philippines). Because of the long effective duration of studies frequently observed in those countries, the last two years of the study mentioned were considered as equivalent to a degree: Chile (fifth and sixth years), Honduras and Ecuador (sixth and seventh years), the Philippines (fourth and fifth years), etc. The numbers, broken down by years of higher education, in fact suggest a massive outflow from the system before the last year mentioned which probably corresponds to the degrees obtained.

It was not found practicable to distinguish a separate "sub-university" level. *** There exists in about a dozen of our countries a form of post-secondary non-university education, stratified in years and leading up to final certificates which are distinct from university degrees proper. Enrolments in these types of education vary enormously from country to country; in some cases (Netherlands, Yugoslavia), a wide range of courses is offered, and the number of certificate holders may be of the same order of magnitude as that obtaining a university degree; in other countries, such education is principally confined to two types: teacher training, and training for certain social services (Sweden, Hungary, Argentina). In these instances, the numbers involved are much smaller.

Around ten countries give the number of persons in the population who have spent "some years at the university but without obtaining a degree"; obviously these are persons who left the university before completing their courses (United States, Canada, Korea, etc.). **** With one exception - Argentina - these countries are different from those supplying data on post-secondary non-university education and mentioned above. At first sight, then, it is tempting to lump together those holding post-secondary non-university certificates and those who

* The United Kingdom Census data give the educational attainment according to the age at which one left school.

** This level should properly be called "university degree and above".

*** Or post-secondary, non-university level; see Table A. 2.

**** And, in general, all countries who have adopted a classification by years of study.

have gone through a number of years of university education without obtaining a degree, on the assumption that they equal each other.

In actual fact, this type of approximation is beset with difficulties and may in many cases be misleading. Countries which have instituted post-secondary non-university education have done so with the primary object of broadening the educational possibilities of offering specialized courses which are different from the traditional university courses.

We did not, therefore, lump together "post-secondary non-university studies" and "some years at the university", unlike the Statistics of the Educational and Occupational Structure of the Labour Force in Fifty-Three Countries, where, for example, the Netherlands are shown to have 13.6% of the occupational major group 0 with B-level of education, compared with 17.5% in Canada, although in the latter country post-secondary non-university education is quasi non-existent.*

b) Complete secondary and beyond

In this category are included all those who have completed full secondary education. It, therefore, includes also university dropouts (see the arrows leading from column (f) to column (g) in Table A. 2).

Several countries do not show the "complete secondary education" levels with precision. Korea mentions 10 to 12 years of schooling completed; Panama, four to six years' secondary education, etc. The situation is even less clear in Uruguay, where several types of education may be regarded as equivalent to full secondary. Some interpolations, therefore, has to be made.

Of the eleven OECD countries which provide data on levels of education, only seven are included at this level. The United Kingdom and France were eliminated for reasons already mentioned; Portugal was left out because the data do not allow the two types of secondary education of different duration, dispensed in that country, to be separated. Lastly, in Norway it was not possible to distinguish those who had completed secondary education from those who had not.

c) Over eight years' schooling

The study by Layard and Saigal, mentioned in the previous chapter, distinguishes between three levels of education below the "complete

* It will be recalled that B-level stands for "more than complete secondary education, but without university degrees". Certain ambiguities arise also in the case of other countries. In Japan, for example, sub-university education includes both the "higher schools" in the old system, which is a terminal education, and the present "junior colleges", which are stepping stones to higher levels.

secondary and over" level, namely ten years, eight years and five years of schooling, corresponding respectively to intermediate level (matriculation standard), middle level and primary level. Such a measurement of the educational stock (based upon the English educational structure) seemed to us neither feasible nor desirable.

Of the OECD countries, only three supplied unequivocal data below the incomplete secondary level: the United States, Canada and Yugoslavia.* Non-member countries have supplied fuller data for the lower levels, but these are hardly comparable: thus, full primary level may mean five to eight years' schooling, as the case may be, with only six countries specifying six years' schooling. This heterogeneity in the length of the primary cycle naturally affects the secondary level, whose duration in years of schooling depends on that of the primary cycle. Thus, the distinction between the three levels of education (ten, eight and five years) would add to the risks of error because of the unreliable interpolation it requires.

The above considerations led us to choose only one level of educational attainment below "complete secondary". This was fixed at "more than eight years' schooling", taking account of both the data available and the characteristics of the countries in our group, which includes 15 developing and 10 industrialised countries. The strategic interest of this category of "more than eight years' of schooling" as a comparative level of education is obvious for this kind of macro-economic study, for it is the level which is virtually accepted as the period of compulsory education in the developed countries, and a level at which a minimum of formal qualifications can be obtained in the developing countries.

In the statistical analysis which follows, the levels "more than eight years' schooling" and "eight years' schooling or less" will both be found, depending upon the occupational group under consideration or the kind of problem to be examined.

d) Average number of years of education

Lastly, it would be interesting to consider a synthetic measure summarising the total quantity of education embodied in a given population rather than a certain level of educational attainment. The average number of years of education per head seems to provide the most suitable indicator. Its calculation involves a whole series of interpolations and investigations of the past education stock of the labour force, the structural changes within each system, etc. We shall rely heavily on the figures calculated by Layard.**

* See Table A, 2, column m.

** Op. cit., Table 6, page 265.

3. PROBLEMS OF AGGREGATION

We have heavily touched upon many of these issues in the two preceding sections and particularly so in the last one. It will, therefore, be sufficient to summarize the arguments and to place them in a more general perspective.

In the hypothetical event of the information at our disposal being highly disaggregated, an ambitious attempt could have been made to determine an optimum level of aggregation in the light of the various objectives of the analysis. According to information theory, such an optimum level could be defined as the equilibrium level at which the gain in "information" by providing a more detailed distribution of the data is just offset by the loss of "information" as a result of uncertainty, statistical errors of measurement and classification, and, in the present case, lack of international comparability of occupational and educational categories.

However, our data are not highly disaggregated, although certain possibilities of using the information on the occupational structure in more or less aggregate form did subsist. But the margins of manoeuvre are very small, i.e., the number of observations falls very rapidly as soon as more detailed breakdown are looked for. Since the bulk of the following analysis is carried out with the aid of regression analysis, the levels of aggregation had to be fairly high. It is precisely for these reasons that we decided to undertake in Part Five - using other statistical techniques - a few case studies for those countries which had substantially more detailed data available.

In Parts Two to Four, however, the following levels of aggregation for the various classifications used were practically imposed upon us by the data and statistical constraints.

i) The analysis of the occupational structure by economic sector: although in certain cases, occupational data were available up to the three-digit economic sector level, the minimum number of observations we had to adhere to did not allow us to go beyond the eight one-digit sectors of economic activity, except in the case of manufacturing, where the analysis could be pushed down to the two-digit sector level. The occupational distribution could be disaggregated for certain strategic two-digit professional occupations and also for the three-digit engineering category (see Part Two).

ii) This analysis of the educational profiles of occupational groups: in this case, it will suffice to refer to the preceding section of this chapter. The investigation was possible at the level of the whole economy only and for the educational categories mentioned in section 2 above (see Part Three and, for a more detailed analysis, Part Five).

iii) The analysis of the educational structure by economic sector: some educational categories as above; four one-digit economic sectors (see Part Four).

It may be of interest to return briefly to the four studies reviewed in Chapter II of the first volume and to refer specifically to the way problems of aggregation were handled. In all these studies, the analysis is at a higher level of aggregation than will be the case in the present investigation, with the partial exception of the Horowitz study. This author makes a strong case for the necessity of disaggregating as much as possible in terms of both economic sectors and occupational categories. In his statistical annex, he presents, for 17 countries, up to 225 occupational categories classified by up to 58 economic sectors. However, the regression analysis he carries out is done with only five very broad occupational categories, albeit for a certain number of two-digit economic sectors.

Table A.1. LABOUR FORCE STATISTICS CROSS-CLASSIFIED
BY OCCUPATIONAL CATEGORIES AND LEVELS OF EDUCATION:
REFERENCE YEAR, SOURCES AND DEFINITIONS

OECD COUNTRIES	YEAR	
CANADA	1961	1961 Census. Active population aged 15 and over.
UNITED STATES	1960	1960 Census. Civilian labour force.
FRANCE	1962	5% sample of the 1962 Census, /active population, apprentices excluded.
GREECE	1961	2% sample of the 1961 Census. Total active population.
JAPAN	1960	1960 Census. Employed labour force.
NORWAY	1960	1960 Census. Employed labour force.
NETHERLANDS	1960	1960 Census. Active population aged 14 and over.
PORTUGAL	1960	1960 Census. Employed Resident population.
SWEDEN	1960	1960 Census. Employed population.
YUGOSLAVIA	1961 ¹	1961 Census and MRP estimation. Total employed population.
OTHER COUNTRIES	YEAR	
ARGENTINA	1960 ²	20% sample of the 1960 Census. Total active population.
CHILE	1960	1960 Census. Active population aged 12 and over.
KOREA	1960	20% sample of the 1960 Census. Employed civilian labour force aged 13 and over.
ECUADOR	1962	3% sample of the 1962 Census. Active population aged 12 and over.

GHANA	1960	1960 Census and "Survey of High Level Manpower in Ghana, 1960". Employed active population.
HONDURAS	1961	1961 Census. Active population aged 10 years and over.
HONG KONG	1961	1961 Census. Working population aged 15 and over.
HUNGARY	1960	Hungarian Planning Commission. Employed civilian labour force.
ISRAEL	1961	20% sample of the 1961 Census. Employed civilian labour force.
PANAMA	1960	1960 Census. Occupied persons aged 10 and over. The Indian tribal population is excluded.
PAKISTAN	1961	1961 Census. Civilian population aged 10 years and over employed in non-agricultural activities.
PERU	1961	10% sample of the 1961 Census. Employed labour force.
PHILIPPINES	1961	10% sample of the "Statistical Survey of Households". Employed persons aged 10 and over.
POLAND	1964	Data provided by the "Central School of Planning and Statistics", Warsaw, Civilian employed population.
PUERTO RICO	1965	Special tabulations of the Puerto Rico Planning Board, 1965. Active population.
EGYPT (UAR)	1960	1960 Census. Active population aged 15 (or 10) and over.
SYRIA	1960	Data provided by Ministry of Planning, Damascus. Active Syrian Arab population.
URUGUAY	1963	5% sample of the 1963 Census. Active population aged 10 and over.
ZAMBIA	1965 ³	Employed civilian labour force, excluding workers in semi-subsistence and subsistence sectors.

1. See the MRP Country Report on Yugoslavia, OECD, Paris 1965, and DAS/MRP/66.2 "The Development of Education in Yugoslavia in the Period 1960-70 and its Adaptation to the Needs of the Economy and Society".
2. See "Education, Human Resources and Development in Argentina", OECD, Paris, 1967.
3. See "Manpower Report, a Report and Statistical Handbook on Manpower, Education, Training and Zambianisation 1965-66", Government Printer, Lusaka, 1966.

SOURCES: Statistics of the Occupational and Educational Structure of the Labour Force in 53 Countries, OECD, Paris 1969.

Table 1. NUMBER OF STUDENTS ENROLLING AT EACH LEVEL AND TYPES OF FORMAL EDUCATION

COUNTRY	YR	ATTENDING THE SCHOOL	AT HOME DAILY	AT SCHOOL	AT SCHOOL	AT SCHOOL	AT SCHOOL	AT SCHOOL	AT SCHOOL	AT SCHOOL	AT SCHOOL	AT SCHOOL
2000 Summary												
Canada	2000	1	1			1	1	1	1	1	1	1
United States	2000	1	1	1	1	1	1	1	1	1	1	1
France	2000	1										
Germany	2000	1										
Japan	2000	1										
Italy	2000	1										
South Korea	2000	1										
Portugal	2000	1										
United Kingdom	2000	1										
Sweden	2000	1										
Finland	2000	1										
Poland	2000	1										
2000 Summary												
Canada	2000	1	1	1	1	1	1	1	1	1	1	1
United States	2000	1	1	1	1	1	1	1	1	1	1	1
France	2000	1	1	1	1	1	1	1	1	1	1	1
Germany	2000	1	1	1	1	1	1	1	1	1	1	1
Japan	2000	1	1	1	1	1	1	1	1	1	1	1
Italy	2000	1	1	1	1	1	1	1	1	1	1	1
South Korea	2000	1	1	1	1	1	1	1	1	1	1	1
Portugal	2000	1	1	1	1	1	1	1	1	1	1	1
United Kingdom	2000	1	1	1	1	1	1	1	1	1	1	1
Sweden	2000	1	1	1	1	1	1	1	1	1	1	1
Finland	2000	1	1	1	1	1	1	1	1	1	1	1
Poland	2000	1	1	1	1	1	1	1	1	1	1	1
2000 Summary												
Canada	2000	1	1	1	1	1	1	1	1	1	1	1
United States	2000	1	1	1	1	1	1	1	1	1	1	1
France	2000	1	1	1	1	1	1	1	1	1	1	1
Germany	2000	1	1	1	1	1	1	1	1	1	1	1
Japan	2000	1	1	1	1	1	1	1	1	1	1	1
Italy	2000	1	1	1	1	1	1	1	1	1	1	1
South Korea	2000	1	1	1	1	1	1	1	1	1	1	1
Portugal	2000	1	1	1	1	1	1	1	1	1	1	1
United Kingdom	2000	1	1	1	1	1	1	1	1	1	1	1
Sweden	2000	1	1	1	1	1	1	1	1	1	1	1
Finland	2000	1	1	1	1	1	1	1	1	1	1	1
Poland	2000	1	1	1	1	1	1	1	1	1	1	1
2000 Summary												
Canada	2000	1	1	1	1	1	1	1	1	1	1	1
United States	2000	1	1	1	1	1	1	1	1	1	1	1
France	2000	1	1	1	1	1	1	1	1	1	1	1
Germany	2000	1	1	1	1	1	1	1	1	1	1	1
Japan	2000	1	1	1	1	1	1	1	1	1	1	1
Italy	2000	1	1	1	1	1	1	1	1	1	1	1
South Korea	2000	1	1	1	1	1	1	1	1	1	1	1
Portugal	2000	1	1	1	1	1	1	1	1	1	1	1
United Kingdom	2000	1	1	1	1	1	1	1	1	1	1	1
Sweden	2000	1	1	1	1	1	1	1	1	1	1	1
Finland	2000	1	1	1	1	1	1	1	1	1	1	1
Poland	2000	1	1	1	1	1	1	1	1	1	1	1

i) Sources of Table A. 2

The figures in this table are drawn from Statistics . . . op. cit. , OECD, Paris, 1969. In certain cases, as indicated in the notes, they have been supplemented from other easily accessible sources.

The 31 countries with roughly comparable educational statistics are shown here; for the statistical analysis, we used only the 28 countries which could be included in a common classification without excessively unreliable approximation or interpolations. The United Kingdom, Finland and Peru were excluded.

Other countries (Jamaica, Czechoslovakia, Thailand, USSR) supplied interesting data about the educational stock of their labour force, but these were too incomplete or remote from the common classification adopted.

ii) Key

An "X" at the intersection of a line and a column means that the statistical figure exists and is directly usable; in this case, "X" is shown on the left-hand side of the column.

"X" is sometimes replaced or accompanied by an explanation in full; in this case, the figure exists, but is only usable after interpretation.

"X" is sometimes shown in the middle of the column (column g). This means that the figures for this level of education only exist in combination with those for the level immediately above; the latter are presented by arrows leading from column f to column g.

"G", "T", "C" and "A" stand for General, Technical, Commercial and Agricultural.

"X" in the middle of a horizontal line joining several columns means that the figures are not available in the detail required by the column headings.

Notes

- (1) Figures also exist for the previous decade, in the 1951 census returns, with some slight differences in the method of classification.
- (2) The figures cannot be used without some approximation, owing to the co-existence in the country of several systems of education.

- (3) For the 1950 figures, see Statistics . . . op. cit., OECD, Paris, 1969.

Column d. see The United States College Educated Population: 1960 by M. A. Schwartz, National Opinion Research Center, October, 1965, page 73 et seq.

Columns l, m, n. figures drawn directly from the American Census, not appearing in the OECD volume.

- (4) Data exist by years of schooling for 1950, but their comparison with the figures for 1960 raises certain problems. See the results obtained by R. Trajtenberg, in an appendix to the Technical Evaluation of the First Stage of the Mediterranean Regional Project, OECD, Paris, 1966, pages 137 et seq.
- (5) Those who completed general secondary education are not separated from those who merely began it.
- (6) It was not possible to distinguish between those holding a general secondary school certificate after nine years' schooling and those who obtained it after eleven years' schooling; the first group has, in fact, only "incomplete secondary" education, according to our comparative criteria.
- (7) Similar figures are also to be found in the 1951 Census returns
- (8) The data supplied by the OECD volume were completed from the "Yugoslavia" Report, Mediterranean Regional Project, OECD, Paris, 1965, and the document DAS/MRP/66.2, The Development of Education in Yugoslavia in the Period 1966-1970 and its Adaptation to the Needs of the Economy and Society.
- (9) The figures are drawn from a census sample (20%); most of them are published in Education, Human Resources and Development in Argentina, OECD, Paris, 1967. Some other unpublished tables in more detail give a breakdown of the active population into 98 occupational groups and 56 levels of education.
- (10) Note the inconsistencies between Tables II.A.1 and III.1 in Statistics . . . op. cit., OECD, Paris, 1969.
- (11) From six to ten years' schooling.
- (12) With and without vocational training.
- (13) The figures by levels of education are broken down by economic sectors, not by occupational categories.
- (14) The classification by groups according to years of schooling is only directly usable at "full secondary" level.
- (15) The classification is made according to certificates obtained; it allows, however, for a rather good appreciation of the educational structure of the labour force.

Annex B

LEVELS OF EDUCATION OF THE DIFFERENT OCCUPATIONAL CATEGORIES AND TECHNOLOGICAL INDICATORS: MULTIPLE AND STEP-WISE REGRESSION EQUATIONS

The analyses included in this Annex should be considered as a follow-up of those presented in Chapters IX and X of the first volume. In these Chapters, we tried to "explain" the educational level of occupational categories by using technological indicators tested one by one successively. The purpose of this Annex is to determine whether the fraction of the variance of educational levels of occupations "explained" by one technological indicator, increases when a second one is introduced into the equation.

1. MULTIPLE REGRESSION EQUATIONS

It will be remembered that we were guided in our choice of explanatory variables for the simple regression equations by the desire to allot to the "capital" variable ($\Sigma I/L$) a role similar to that played by X/L . Thus, just as a certain level of labour productivity required a certain level of education in the work force, the capital invested per person employed required manpower with the necessary qualifications for its utilisation.

The quality of the correlations obtained varied according to the categories and educational levels, with perhaps a slight advantage in favour of labour productivity. However, the simple fact that X/L and $\Sigma I/L$ were tested separately clearly shows that these two variables were regarded as more or less interchangeable.

Our present aim is quite different, i. e., to ascertain whether the variance of the dependent variables which is not explained by productivity can be wholly or partly explained by introducing the "capital

intensiveness variable $\Sigma \dot{L}$ into the equation. This working hypothesis thus rests on the complementarity of the explanatory variables.

It can indeed be argued that different educational structures may correspond to a given level of production, according to whether production techniques in one country involve more capital than in another. More specifically, let us assume that two countries, A and B, have roughly the same level of production, and that x and y per cent of their respective labour force are university graduates. Let us assume that B has invested more than A, and therefore probably employs more sophisticated production techniques, will their application demand a different proportion of graduates $y\% = x\%$? If so, will B need more graduates than A ($y\% > x\%$) or instead, with its production techniques enable it to "economise" highly qualified graduates ($y\% < x\%$)?

To try to find answers to these questions, we shall use two multiple regression equations in the following form:

$$\log (L/k, L) = \log a - c \log N \dot{L} - d \log \Sigma \dot{L}$$

$$\log (k) = \log a - c \log N \dot{L} - d \log \Sigma \dot{L}$$

The full results are given in Tables B.1 and B.2. It can be seen from a glance at those tables that:

- very few of the correlations are appreciably improved by introducing $\Sigma \dot{L}$ *
- the immense majority of regression coefficients are not significant.

The fact that the fraction of the explained variance of the dependent variable does not increase with the introduction of "capital" per person employed, thus seems to show that $N \dot{L}$ and $\Sigma \dot{L}$ each more or less closely correlated with the educational and/or occupational structure according to the levels and/or categories considered, are not complementary, as might have been thought.

This is due to the high correlation between $N \dot{L}$ and $\Sigma \dot{L}$, $R = 0.94$ with 22 observations. A close collinearity between the two explanatory variables of a multiple regression equation in fact results in some indetermination of the plane of correlation for the equation: the observations for the three variables are correlated along a straight line in three-dimensional space. There will thus be an infinite number of possible planes passing through that straight line.

* Compares with Tables III-IIIc and IIIf of main text volume.

Table B 1 MULTIPLE REGRESSION EQUATIONS
LINKING
THE EDUCATIONAL LEVEL OF OCCUPATIONAL CATEGORIES. (L₀/L, L₁/L)
THE OCCUPATIONAL STRUCTURE (L₀/L)
THE EDUCATIONAL STRUCTURE (L₁/L)
TO
LABOUR PRODUCTIVITY (Y/L)
GROSS CAPITAL FORMATION PER WORKER (Z/L)

$$\log \left(\frac{L_1/L}{L_0/L} \right) = \log a + b \log \left(\frac{Y/L}{Z/L} \right) + \log \left(\frac{Z/L}{L_0/L} \right)$$

OCCUPATIONAL STRUCTURE	DEGREE LEVEL AND ABOVE (A)					COMPLETED SECONDARY SCHOOLING AND ABOVE (B)					MORE THAN EIGHT YEARS OF SCHOOLING (C)					EIGHT YEARS OF SCHOOLING OR LESS (D)					OCCUPATIONAL STRUCTURE L ₁ /L				
	R		log a		c(a)	R		log a		c(a)	R		log a		c(a)	R		log a		c(a)	R		log a		c(a)
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Major Group 0	L ₀ /L	0.72	1.12(0.56)	-0.24(0.44)	0.82	-1.51	0.30(0.38)	0.35(0.30)	0.87	-1.06	0.10(0.35)	0.43(0.28)	0.18	-0.04	-0.46(1.01)	0.44(0.82)	0.88	-1.11	0.40(0.21)	0.18(0.17)					
	L ₁ /L	0.37	0.35	0.77(0.49)	-0.43(0.39)	0.41	1.39	0.04(0.24)	0.09(0.19)	0.41	1.66	0.03(0.18)	0.04(0.15)	0.45	2.89	-0.54(0.94)	0.06(0.78)								
Minor Groups 00/01/02/03	L ₀ /L	0.78	-3.40	1.09(0.71)	-0.18(0.61)	0.68	-3.31	1.44(0.64)	-0.44(0.56)								0.79	-2.84	1.07(0.71)	-0.16(0.42)					
	L ₁ /L	0.02	1.44	0.03(0.78)	-0.03(0.67)	0.53	0.90	0.64(0.54)	-0.36(0.48)								0.54	-1.81	0.32(1.04)	0.20(0.96)					
Minor Group 04	L ₀ /L	0.68	-5.34	2.73(1.37)	-1.62(1.15)	0.58	-2.70	0.81(1.51)	0.09(1.30)																
	L ₁ /L	0.24	-1.54	2.42(1.43)	-1.82(1.20)	0.54	0.72	0.38(0.73)	-0.77(0.63)																
Major Group 1	L ₀ /L	0.69	-3.38	0.35(0.66)	0.47(0.53)	0.80	-2.96	0.57(0.53)	0.32(0.43)	0.82	-2.22	1.28(0.70)	-0.25(0.87)	0.46	-2.23	1.43(1.15)	-0.78(0.93)	0.71	-2.06	0.93(0.47)	-0.22(0.38)				
	L ₁ /L	0.45	0.71	-0.60(0.49)	0.69(0.39)	0.49	1.32	-0.45(0.37)	0.53(0.30)	0.66	1.22	-0.06(0.25)	0.22(0.20)	0.45	2.21	0.09(0.56)	-0.31(0.48)								
Major Group 2	L ₀ /L	0.56	-3.07	1.47(1.09)	-0.82(0.87)	0.61	-2.06	0.80(0.69)	-0.17(0.56)	0.92	-2.17	1.16(0.35)	-0.33(0.28)	0.40	-0.41	-0.43(0.80)	0.62(0.73)	0.78	-1.20	0.51(0.35)	0.11(0.18)				
	L ₁ /L	0.30	0.13	0.97(0.91)	-0.94(0.73)	0.20	1.15	0.47(0.58)	-0.36(0.47)	0.65	1.10	0.59(0.25)	-0.37(0.20)	0.63	2.87	-1.03(0.52)	0.58(0.42)								
Major Group 3	L ₀ /L	0.47	-3.88	0.86(0.98)	-0.07(0.78)	0.61	-2.54	0.34(0.80)	0.38(0.64)	0.83	-2.71	1.52(0.58)	-0.62(0.47)	0.05	0.12	0.72(1.15)	-0.81(0.93)	0.25	0.25	0.01(0.66)	0.16(0.43)				
	L ₁ /L	0.59	-2.13	0.85(0.95)	-0.23(0.76)	0.48	-0.69	0.27(0.82)	0.27(0.66)	0.68	-1.23	0.55(0.54)	-0.05(0.44)	0.58	2.70	-0.25(0.44)	-0.05(0.35)								
Major Groups 7/8	L ₀ /L					0.67	-3.37	0.64(0.91)	0.38(0.73)	0.71	-2.32	0.56(0.97)	0.33(0.78)	0.23	0.05	0.49(1.96)	-0.17(1.02)	0.46	0.04	0.31(0.61)	0.09(0.43)				
	L ₁ /L					0.45	-1.41	0.34(1.01)	0.29(0.81)	0.49	-2.23	0.12(0.98)	0.34(0.79)	0.31	2.15	0.05(0.44)	-0.16(0.36)								
Educational Structure	L ₀ /L	0.64	-2.26	1.03(0.61)	-0.74(0.49)	0.74	-1.31	0.44(0.53)	0.28(0.43)	0.81	-1.12	0.81(0.54)	-0.07(0.43)	0.84	2.77	-0.25(0.18)	-0.04(0.14)								

The method of calculating $\Sigma I/L$ is certainly at least partly responsible for this high correlation with X/L . There is, of course, nothing new about these statistical links between investment and productivity, but they are here strengthened owing to the fact that $\Sigma I/L$ is calculated for the eight years preceding the census, whereas X/L indicates the level of productivity in the census year.

More specifically, this means that any variation in $\Sigma I/L$ results in corresponding variations in X/L , owing to the high correlation between the two variables; or again, that if two countries, A and B, have the same level of productivity, their levels of investment will also be similar, in which case the differences observed in the educational structure cannot be "explained" as suggested above.

Time series, and a more "refined" assessment of $\Sigma I/L$, may, however, well lead to different conclusions [Layard and Saigal introduce the discussion in terms of a classical production function. Our variable $\Sigma I/L$, shown as the X-axis in the graph illustrating their study (page 228) instead of the capital-labour ratio K/L , would have the effect of merging the two curves T2 and T1 together, owing to the very high correlation with X/L . The only changes in educational structure to be considered would then be changes along a single production function, the same year being taken for all countries]. Such a cross-section analysis as that made by us, taking account of the sometimes rough approximations which affect our variables, thus allows the changes in the production function to be ignored; the analysis thus contributes to the building of a rather artificial universe where the ownership of trade secrets or industrial patents carries no special advantage, the international flow of technical knowledge is unrestricted, its embodiment proceeds at roughly the same rate in all countries, etc. These assumptions are in fact frequently* adopted.

Lastly, as regards the imprecision of the regression coefficients, it is known that important standard deviations are a direct consequence of collinearity between explanatory variables. It will thus not be possible to separate the influence of X/L and $\Sigma I/L$, still less to estimate their effects on the dependent variable.

As an example, one of the least unsatisfactory equations in Table E.1 is given below:

$$\log (L_{jk}/L_j) = 1.10 + 0.59 \log (X/L) - 0.37 \log (\Sigma I/L) \quad R = 0.65$$

(0.25) (0.20)

* For a typical and very familiar example, see, "Patterns of Industrial Growth", by Hollis B. Chenery, American Economic Review, September 1960.

Table B. 2. MULTIPLE REGRESSION EQUATIONS
 LINKING { THE MEAN YEARS OF SCHOOLING OF OCCUPATIONAL CATEGORIES, kj
 THE MEAN YEARS OF SCHOOLING OF TOTAL LABOUR FORCE, kt
 TO { LABOUR PRODUCTIVITY (X/L)
 GROSS CAPITAL FORMATION PER WORKER ($\Sigma I/L$)

$$\frac{\log kj}{\log kt} = \log a + b \log (X/L) + c \log (\Sigma I/L)$$

OCCUPATIONAL CATEGORIES	MEAN YEARS OF SCHOOLING (E)			
	k	log a	b(σb)	c(σc)
Major Group 0	0.43	0.84	0.07 (0.13)	0.00 (0.10)
Major Group 1	0.65	0.45	0.08 (0.18)	0.09 (0.14)
Major Group 2	0.42	0.65	0.27 (0.18)	-0.16 (0.14)
Major Group 3	0.62	-0.92	0.83 (0.52)	-0.30 (0.41)
Major Group 4	0.67	-1.72	0.70 (0.68)	0.02 (0.54)
Major Group 5	0.64	-0.74	0.60 (0.45)	-0.13 (0.35)
Total Active Population	0.72	-1.03	0.65 (0.44)	-0.09 (0.35)

where j represents major group 2 and k "more than eight years' schooling". The correlation is slightly better by comparison with the simple regression equations; $R = 0.45$ was obtained for X/L , and $R = 0.31$ for $\Sigma I/L$. If it is further admitted that the coefficient of elasticity for $\Sigma I/L$ is significantly different from 0, for the time being leaving the standard deviation out of account, this negative coefficient would mean that, as $\Sigma I/L$ increases L_{jk}/L_j diminishes, and vice versa, X/L being kept constant. Stated another way, some substitution would be possible as between physical and intellectual investment.

This being granted, our standard deviations preclude any such conclusions. If any further proof were needed of the imprecision of these results, it could be found in the fact that the regression coefficients for $\Sigma I/L$ in Tables B.1 and B.2 are sometimes positive and sometimes negative, for no known reason.

2. STEP-WISE REGRESSION EQUATIONS

The conclusions in the previous paragraph will be further strengthened by the use of the step-wise system with the three economic indicators: productivity (X/L), investment ($\Sigma I/L$) and the non-monetary indicator (I_e). It may be pointed out that the originality of this type of equation lies in that the explanatory variable showing the best correlation with the dependent variable is selected first, and that a second variable and, if need be, a third, is introduced only insofar as they help to improve the correlation. This procedure reduces to some extent the arbitrariness of any enforced choice of explanatory variables, and enables the variables giving the best correlation to be selected directly.

Let it be said at once that the results obtained with the step-wise equation will do nothing to alter our opinion with regard to the limitations of "explanation" supplied by economic variables. Thus there again, any improvement (usually very slight) in the correlation coefficients is counterbalanced by such large standard deviations as to rob the regression coefficients of any significance.

As examples, the following results were obtained, with j representing major group 0 and k "university-degree level or above":

$$\log (L_{jk}/I_e) = -1.83 + 1.23 \log (I_e) \quad R = 0.79^* \\ (0.21) \quad N = 22$$

* The slight differences compared with results in Tables III-1 and III-2 are due to the number of observations.

$$\log (L_{jk}/L) = -1.33 + 2.14 \log (I_e) - 0.60 \log (\Sigma I/L) \quad R = 0.83$$

(0.53) (0.32) N = 22

or alternatively:

$$\log (L_{jk}/L_j) = 0.68 + 0.42 \log (I_e) \quad R = 0.41^*$$

(0.21) N = 22

$$\log (L_{jk}/L_j) = 1.34 + 1.62 \log (I_e) - 0.79 \log (\Sigma I/L) \quad R = 0.63$$

(0.48) (0.29) N = 22

$$\log (L_{jk}/L_j) = 1.24 + 1.56 \log (I_e) - 0.84 \log (\Sigma I/L) + 1.08 \log (X/L) \quad R = 0.63$$

(0.56) (0.37) (0.48) N = 22

This goes to show that a plane can be determined with the I_e , productivity and capital-intensiveness variables despite their high collinearity: $R = 0.92$ between I_e and $\Sigma I/L$, $R = 0.93$ between X/L and I_e . This may, however, be due to the low simple correlation obtained between L_{jk}/L_j and I_e .

In any case, these examples are too isolated for any general conclusions to be drawn. It will, however, be noted that the elasticity for capital intensiveness is sometimes significant and negative; it partly offsets the distinctly higher elasticity for I_e as soon as $\Sigma I/L$ is introduced. Thus, if $\log (I_e)$ rises by 1%, $\log (L_{jk}/L_j)$ rises by 0.40% in the simple regression; if, furthermore, $\log (I_e)$ and $\log (\Sigma I/L)$ each rise by 1%, $\log (L_{jk}/L_j)$ rises by $1.62 - 0.79 = 0.83\%$ - more than double. This shows, in particular, that the difficulties of interpretation are practically insuperable if no allowance is made for the standard deviations of the coefficients.

* The slight differences compared with results in Tables III-1 and III-2 are due to the number of observations.

Annex C

ANALYSIS OF THE OCCUPATIONAL AND EDUCATIONAL COEFFICIENTS

The analyses presented in Parts Two, Three and Four of Volume One have focused exclusively on the percentage distribution of occupational categories and educational levels in the labour force, and on the factors likely to have an influence on this distribution.

It is also possible to analyse occupational or educational coefficients. These coefficients are defined as the number of persons in a given category required to produce a unit of output, here one million of US dollars. They can be considered as the inverse of partial labour productivity.

They may have certain advantages over occupational or educational categories expressed as a percentage of the total or sectoral labour force. First, these percentages are sometimes very small: proportion of highly qualified manpower, proportion with a University Degree in the total labour force, etc. They may, therefore, be very sensitive to changes in quantitatively more important categories: a relatively small change in the latter may have an important impact on the former. On the contrary, the occupational coefficients are mathematically independent from one another. Second the coefficients have the advantage of linking the number of persons in a given occupation directly to output, which is variable more readily available than most others.

In this Annex, we will present a few analyses referring to the following coefficients:

L_j/X : number of persons in an occupational category j per one million dollars worth of output (occupational coefficients);

L_k/X : number of persons with a level of education k per one million dollars worth of output (educational coefficients);

L_{jk}/X : number of persons in an occupational category j with a level of education k per one million dollars worth of output (occupational-educational coefficients) ;

L_{ik}/X_i number of persons working in a sector i with a level of education k per one million dollars worth of sectoral output (sectoral-educational coefficients) .

We will show in Section 2 of this Annex that the parameters of the equations having a percentage as a dependant variable, are linked to the parameters of the equations having a coefficient as a dependant variable by a simple mathematical relationship, whenever labour productivity is taken as the independant variable.

That is why it is not necessary to repeat here the bulk of regression analyses presented in the First Volume.

1. ANALYSES OF OCCUPATIONAL COEFFICIENTS

As stated above, there is a fixed relationship between the parameters of the equation :

$$\log (L_j/L) = \log a + b \log (X/L) \quad (1)$$

and those of the equation :

$$\log (L_j/X) = \log a + b \log (X/L) \quad (2)$$

It is intuitively clear that, whenever the elasticity between L_j/L and X/L is equal to one in equation (1), L_j/X is constant. In the same way, whenever the elasticity between L_j/L and X/L is superior (or inferior) to one, this means that L_j/X will show an upward (downward) tendency as X/L increases.

The analysis of the occupational structure presented in Part Two of the First Volume has shown that, in all sectors except perhaps in Manufacturing, the majority of elasticity coefficients with respect to X/L were less than one. The consequent fall in the partial labour/output ratios can be compared to the fall in the capital/output ratio observed in many countries as the economy develops. *

* See, for example, S.J. Patel "Incremental Capital Output Ratios", Kyklos, Vol. XXI, 1968.

Having said this, graphic analysis is still interesting to show that there is a wide dispersion among occupational coefficients around the mean value, although, for some groups of countries, these are fairly stable within a given range of productivity.

Let us examine, for example, some of the equations $L_j/L = f(X/L)$ with a regression coefficient equal to one: see Table II-1 in the First Volume. This is the case for STP category (0.98) and for the minor group 0-0: engineers, etc. (1.06). Their corresponding occupational coefficients would, therefore, have a tendency to remain constant. That this is indeed the case can be verified in Graph C.1, where the coefficients for 0-0 are related to output per worker. It also becomes clear, however, that variations around the average are quite considerable, as could already be deduced from the size of the standard deviation of the regression coefficient: 1.06 (0.13).^{*} For the same reason an even greater variation around the average can be expected for the STP category.

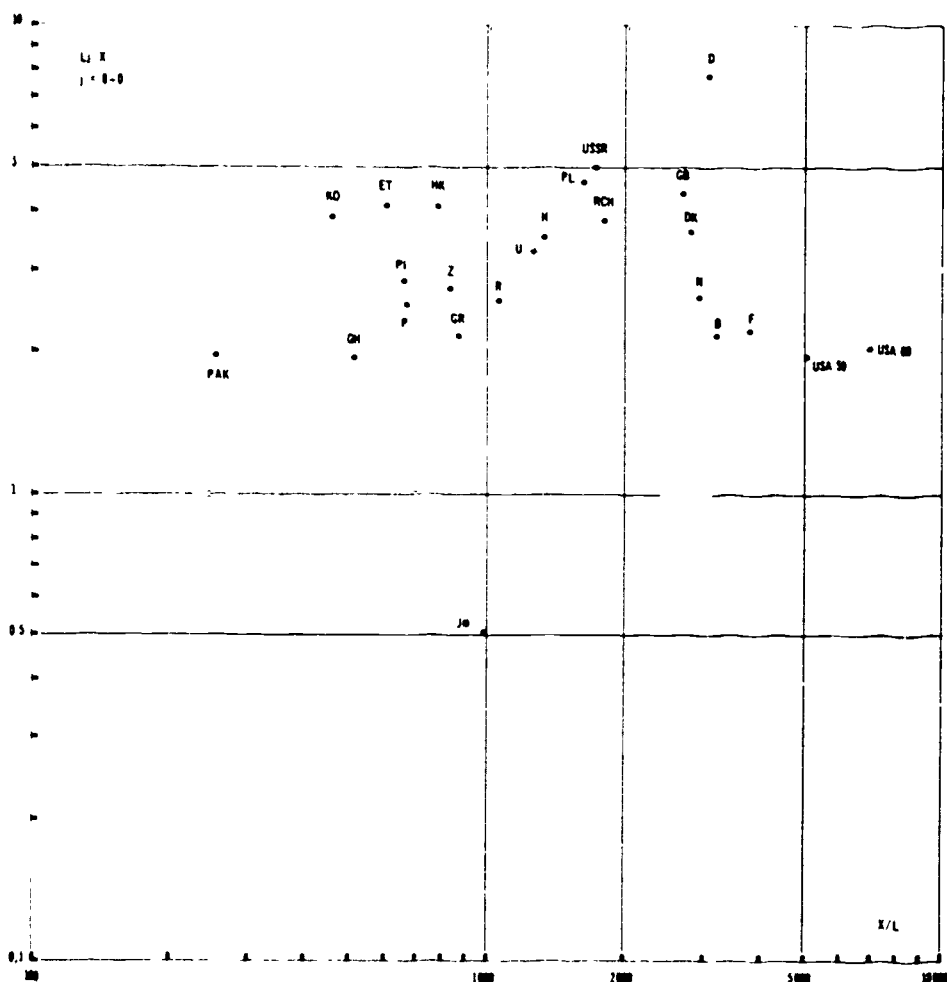
In manufacturing, it will be recalled, the regression coefficient of m.g. 0 was exactly unity when related to sector labour productivity (see Table II-2). Graph C.2 - which shows the corresponding occupational coefficient related to sector labour productivity - again illustrates the substantial differences around the average: the coefficient in question varies mainly between 7 and 20 per million dollars of sector output, irrespective of the level of productivity.

The number of illustrations could be greatly extended, but this would not lead to a clearer insight than that obtained in Part Two.

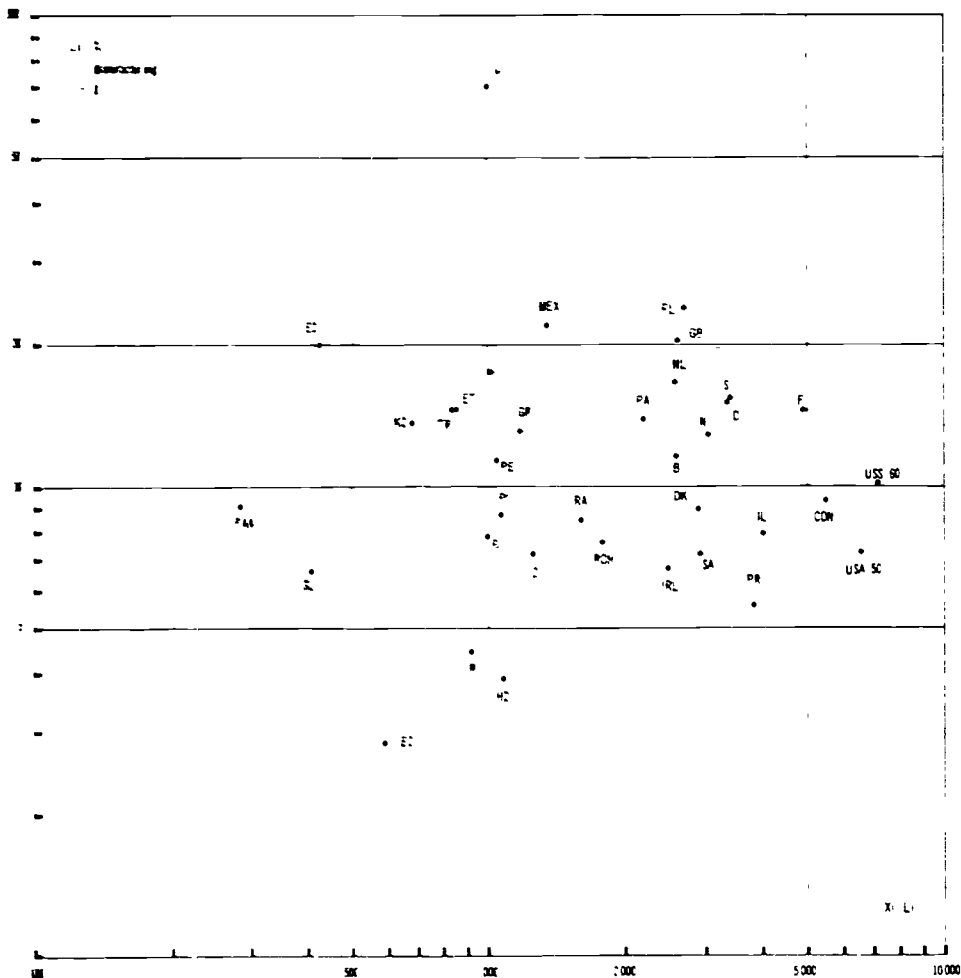
Of course, it is always possible to isolate on the graphs a few groups of countries for which there is a tendency towards constancy of the occupational coefficients. However, our conclusion is that, although this tendency does exist in certain cases, the limits within which the coefficients can vary are considerable. With the data available for the present study, it is not possible to push the investigation any further. Quite clearly, it would be of the greatest interest to extend the analysis on a case study basis by taking the countries with different values of their occupational coefficients at the same level of development or, vice versa, to deepen it - by bringing a host of additional explanatory variables into the analysis - in order to determine which are the most important factors behind those variations.

^{*} See Table II-1.

Graph C-1
WHOLE ECONOMY ARCHITECTS, ENGINEERS AND SURVEYORS PER UNIT OF OUTPUT (L_j/X)
AND OUTPUT PER WORKER (X/L)



GRAPH 3-2
MANUFACTURING PROFESSIONAL AND TECHNICAL WORKERS PER UNIT OF SECTOR OUTPUT (L_1/X_1)
AND SECTOR OUTPUT PER WORKERS (X_1/L_1)



2. ANALYSES OF OCCUPATIONAL-EDUCATIONAL COEFFICIENTS

Our aim here, then, will be to try and discover any econometric links between these coefficients and levels of economic development. The value of the operation is two-fold:

- a) To anyone interested in a detailed study of the factors of production, it may be useful to know what occupational structure and/or educational inputs correspond to one unit of output at a given level of development. Are the structure or inputs unique - and complementary - or are certain substitutions possible, and if so, under what conditions?
- b) If the aim of the analysis is to forecast requirements by occupational categories and/or levels of education, the data sought (L_j , L_k or L_{jk}) can then be deduced directly from the product X rather than from employment L .

Use of the coefficients thus offers a method of by-passing employment forecasting, itself the resultant of output and productivity forecasting; the advantages are appreciable, considering the uncertainties inherent in the latter. It goes without saying that the use of the "direct approach" linking occupation and/or education with gross product by a simple ratio can then obviate any reference to labour productivity, notably its adoption as an explanatory variable.

It would be possible with these coefficients to repeat the different types of analyses dealt with in Part Three, namely:

- analysis of the links between the coefficients and economic variables (Chapters IX and X);
- influence of the "supply" from the educational system on the coefficients (Chapter XII);
- reaction of the coefficients to the combined influence of the economic indicators and the supply of graduates, the last two factors showing a fair degree of interdependence (Chapter XIII).

In actual fact, apart from the procedure being somewhat wearisome for the reader, the results obtained hardly justify such a procedure. With the exception of a few groups of countries whose behaviour is "consistent", the evidence in most cases shows, the coefficients to be ruled by complex sets of factors which cannot be grasped through any macro-economic study.

We shall, therefore begin by studying the links between the different types of coefficients; we shall then consider some of the coefficients in

conjunction with some development indicators. We shall end by testing graphically certain coefficients for labour productivity, with the sole object of finding out whether any groups of countries showing the same behaviour can be identified.

1) Analysis of the Relationships Between Coefficients

This analysis has a dual aim:

- a) to confirm certain relationships arrived at in Part Three, and
- b) to choose certain representative coefficients to be tested in relation to the economic variables, if there are high correlations between coefficients.

Of the two sets of equations whose results are shown below one can recognize readily

- a) the one which allows the trend of the educational profile of a given occupational category to be plotted

$$\log (L_{jk} X) = \log a - b \log (L_j/X) \quad \text{See Table C.1}$$

Here elasticities must be compared within each occupational group, i.e., "horizontally", so as to obtain some idea of the respective trends of the different L_{jk} 's as functions of L_j ;

- b) a second set of equations which makes it possible to determine the occupational choice of graduates at all levels:

$$\log (L_{jk} X) = \log a - b (L_k, X) \quad \text{See Table C.2}$$

Here elasticities must be compared at each level of education, i.e., "vertically", so as to obtain some idea of the respective trends of the different L_{jk} 's as functions of L_k .

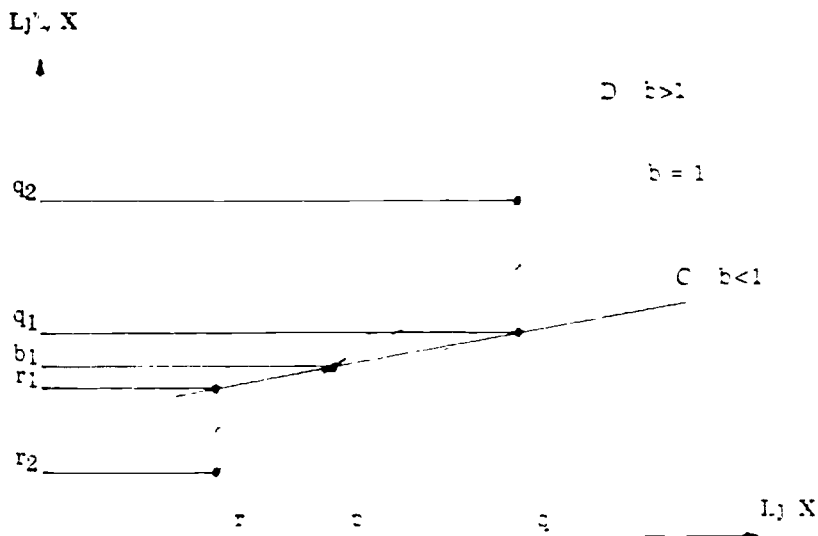
The results in Table C.1 confirm what common sense would suggest: for example, when the number of "professional and technical workers" per unit of output (L_j/X) rises, those with the lowest level of education are mainly responsible for this increase: $b = 1.6$ at D level and $b = 0.9$ at C level. Furthermore, the high elasticities at the "eight years' schooling or less" level show that this is a general rule for any occupational group, one exception, however, being group 2, where the proportion of university graduates per unit of output (L_{jk}/X) also tends to rise rapidly.

Table C 1. REGRESSION EQUATIONS LINKING "WEIGHTED" OCCUPATIONAL COEFFICIENTS (Ljk/X)
TO OCCUPATIONAL COEFFICIENTS (Lj/X)

$$\log (Ljk/X) = \log a + b \log (Lj/X)$$

OCCUPATIONAL CATEGORIES	DEGREE LEVEL AND ABOVE (A)				COMPLETED SECONDARY SCHOOLING AND ABOVE (B)				MORE THAN EIGHT YEARS OF SCHOOLING (C)				EIGHT YEARS OF SCHOOLING AND LESS (D)			
	N	R	log a	b(σ b)	N	R	log a	b(σ b)	N	R	log a	b(σ b)	N	R	log a	b(σ b)
1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Major Group 0	2	0.44	-0.28	0.74(0.32)	21	0.81*	-0.04	0.89(0.15)	17	0.93*	0.00	0.93(0.10)	17	0.87*	-1.83	1.63(0.47)
Minor Groups 00/01/02/0X ..	19	0.57*	-0.24	0.64(0.22)	14	0.67*	0.17	0.58(0.18)								
Minor Group 0X	12	0.34	-1.30	0.59(0.52)	9	0.86*	-0.17	0.81(0.18)								
Major Group 1	25	0.61*	-0.84	0.86(0.23)	21	0.73*	-0.06	0.67(0.15)	17	0.89*	-0.09	0.85(0.11)	17	0.88*	-0.85	1.35(0.19)
Major Group 2	25	0.64	-2.89	1.69(0.42)	21	0.44	-0.10	0.73(0.34)	17	0.87*	0.42	0.61(0.09)	17	0.94*	-1.85	1.82(0.17)
Major Group 3	25	0.35	-1.23	0.42(0.24)	21	0.20	0.23	0.21(0.24)	17	0.56*	0.44	0.35(0.14)	17	0.99*	-0.84	1.35(0.06)
Major Groups 7/8					21	-0.06	0.81	-0.09(0.38)	17	0.28	0.73	0.25(0.23)	17	0.99*	-0.90	1.35(0.06)

Can it be concluded that there is some substitution between quantity and quality of output per unit of output? It would seem so, judging by the following graph:



Line D represents the function $L_j/X = f(L_j/X)$ for the 'eight years' schooling' level. D = the elasticity is higher than 1, and the constant is negative.

Line C represents the function $L_j/X = f(L_j/X)$ for the 'more than eight years' schooling' level. C = the elasticity is between 0 and 1, the constant is positive.

When L_j/X takes position p, we obtain L_j/X at C level = L_j/X (at D level) = $1/2 L_j/X$. If L_j/X rises to assume position q, level D will then become better represented than level C (in L_j/X : $q_2 > q_1$). On the other hand, if L_j/X falls to assume position r, it will be at the cost of a relative improvement in level C as compared with level D ($r_2 < r_1$). *

* One important point is that it is the relative positions of C and D levels which change places. L_j/X rising or falling simultaneously for both levels: the elasticity at C level is not negative, but lies between -1 and 0.

Table C.2. SIMPLE REGRESSION EQUATIONS LINKING "WEIGHTED" OCCUPATIONAL COEFFICIENTS (Ljk/X)
TO EDUCATIONAL COEFFICIENTS (Lk/X)

$$\log (Ljk/X) = \log a + b \log (Lk/X)$$

OCCUPATIONAL CATEGORIES	DEGREE LEVEL AND ABOVE (A)				COMPLETED SECONDARY SCHOOLING AND ABOVE (B)				MORE THAN EIGHT YEARS OF SCHOOLING (C)				EIGHT YEARS OF SCHOOLING AND LESS (D)			
	N	R	log a	b(σb)	N	R	log a	b(σb)	N	R	log a	b(σb)	N	R	log a	b(σb)
1	2		3	4	5	6	7	8	9	10	11	12	13	14	15	16
Major Group 0	25	0.95*	-0.04	0.86(0.06)	21	0.77*	0.27	0.81(0.12)	17	0.78*	-0.12	0.76(0.16)	17	0.68*	-1.18	0.69(0.20)
Minor Groups 00/01/02/0X . .	19	0.80*	-0.60	0.82(0.15)	14	0.41	0.17	0.29(0.19)								
Minor Group 0X	12	0.64	-2.18	1.19(0.46)	9	0.48	-1.11	0.94(0.58)								
Major Group 1	25	0.79*	-0.5.	0.90(0.15)	21	0.72*	-0.57	0.73(0.15)	17	0.74*	-1.12	0.97(0.23)	17	0.38	-0.20	0.34(0.22)
Major Group 2	25	0.87*	-1.82	1.57(0.19)	21	0.85*	-1.12	1.23(0.17)	17	0.81*	0.14	0.62(0.12)	17	0.63*	-0.45	0.57(0.18)
Major Group 3	25	0.75*	-1.74	1.13(0.21)	21	0.76*	-1.70	1.27(0.25)	17	0.73*	-0.93	0.94(0.23)	17	0.69*	-0.84	0.84(0.23)
Major Group 7/8					21	0.70*	-2.17	1.54(0.37)	17	0.76*	-1.45	1.30(0.29)	17	0.54	0.37	0.60(0.24)

Turning now to Table C.2, it will be noted that at all levels of education elasticities are higher for the lower categories on the occupational ladder (clerical workers, sales workers, manual workers and craftsmen) than for the others: an increase in the number per unit of output thus operates in favour of the less highly educated categories, whose relative position is improved. Elasticities in the higher categories are of course positive: that is to say, L_{jk}/X continues to rise, although more slowly, as L_k/X rises.

Interesting as these findings are, they refer us back to the main problem, namely, that of the links between the coefficients and economic variables. Are the values of these coefficients low, as might legitimately be supposed, in countries with a high capital density and a highly efficient work organisation, where full dissemination of information is taken for granted? Or are there some "structural" factors which may affect the value of the coefficients?

ii) The Coefficients and Economic Variables

As pointed out in the introduction, a vital step is to determine the direction and causal factors of changes in the occupational or educational coefficients (L_j/X or L_k/X). There is no need to point out the direct relationship they establish between the occupational category and/or level of education, on the one hand, and a fundamental economic aggregate, on the other. They are the equivalents of the Leontieff-type technical coefficients.

At the same time, some understanding is needed of variations in these coefficients. For instance if the "professional and technical workers" category is considered, it can be postulated that the number needed for the production of one million dollars' worth of output (L_j/X) is primarily a function of the level of development attained. It can thus be assumed that in an industrialized country, activity will be more capital-intensive, the organisation of work will be better, especially owing to the presence of middle-level technical personnel, and, as a result, the "individual effectiveness" of the professional worker will be greater: hence L_j/X will be low. Conversely, the need for professional workers per unit of output in the developing countries will be high owing to the absence of communications, faulty job distribution, the often small-scale craft nature of production, etc. Graph C.3, where the level of development is represented by the GDP per capita income X/P , only partially confirms these assumptions. While the industrialized countries are closely aligned, with L_j/X ranging from 100 in Yugoslavia to 15 in the United States, the scatter for the other countries is harder to interpret; the negative correlation is less clear, with a number of countries clustered round $L_j/X = 50$.

The regression equation for Graph C. 3 is as follows:

$$\log (L_j/X) = 2.92 - 0.29 \log (X/P) \quad R = 0.67$$

(0.07) N = 25

If this type of equation were to be used for an industrialized country, there would obviously be an advantage in choosing a sub-sample for this type of country; for the developing countries, account would have to be taken of the constancy of L_j/X - lying between 40 and 60 - up to a GDP per capita of \$ 700. This is not, in fact, due to classification problems, in view of the size of the category considered. A still more disturbing factor is this: if L_j/X - j representing scientific and technical workers - is matched with X/P , there is no relationship whatsoever, as shown by the following equation:

$$\log (L_j/X) = 0.48 + 0.08 \log (X/P) \quad R = 0.13$$

(0.15) N = 19

The relative alignment noted for major group 0 as a whole is thus largely to the non-scientific categories, for which the hypothesis of a strict direct link with production is hardest to uphold.

Similar results were obtained with "administrative and executive workers . . .", for which we find:

$$\log (L_j/X) = 2.20 - 0.24 \log (X/P) \quad R = 0.36$$

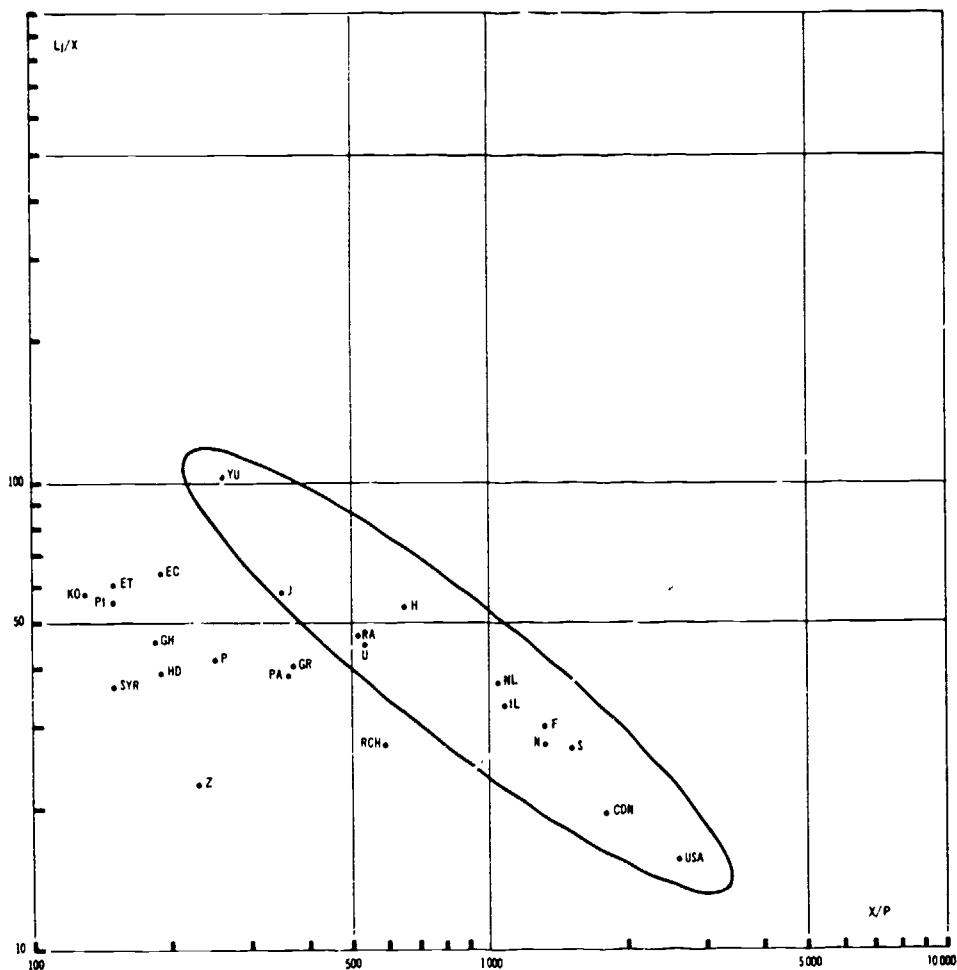
(0.13) N = 25

In this case, however, the problems of classification could justly be incriminated, although they should confirm rather than contradict the general rule that fragmented production structures, and thus high L_j/X 's, coincide with low GDP per capita, while the integrated structures are the prerogative of advanced countries.

In the face of these meagre results, it may be noted a) that it is less the occupational coefficients which should be linked with the level of development than the same coefficients weighted by the level of education L_{jk}/X , the latter being the real indicator of the level of qualifications, while the occupational category serves only for classification purposes; and b) that the level of development expressed by X/P may not be a precise indicator of the level of technology, which should be more exactly calculated by using more specific variables.

These observations do not, however, take us much further forward, to judge from the following statistical results. No significant correlation was found for L_{jk}/X , whatever the level of education considered.

Graph C-3
NUMBER OF «PROFESSIONAL AND TECHNICAL WORKERS» PER UNIT OF OUTPUT (L_1/X),
AND GDP PER CAPITA (X/P)



Moreover, it was decided to represent the level of technology by the sum of recent investments ΣI , or by the proportion of exports in gross product E/X , as providing a good indication of the competitiveness of an economy with respect to others; as such E/X would reflect not only the level of technology, but also the general degree of organisation of an economy, the quality of its management, etc.

A few results follow which, to say the least, do not confirm the above hypotheses:

$$\log (L_{jk}/X) = 0.45 + 0.05 \log \Sigma I$$

(0.09)

$$R = 0.12$$

$$N = 22$$

j = major group 0

k = university-degree level or above

$$\log (L_{jk}/X) = 0.57 - 0.22 \log (E/X)$$

(0.25)

$$R = 0.21$$

$$N = 19$$

j = sub-groups 00/01/02/0X

k = university-degree level or above

$$\log (L_{jk}/X) = 1.72 - 0.28 \log (E/X)$$

(0.16)

$$R = 0.37$$

$$N = 21$$

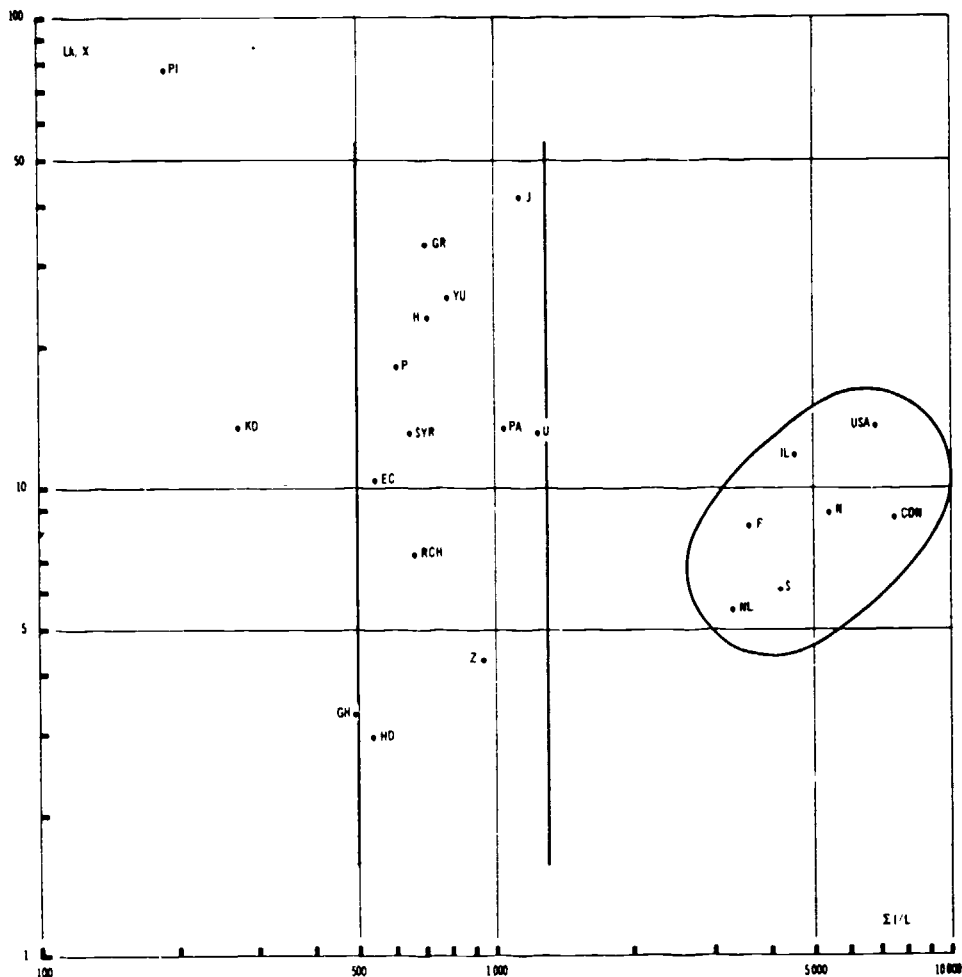
j = major group 0

k = completed secondary level or above

These results do not even enable the sign of the correlation to be unambiguously determined. Before concluding that the variables are independent, we will examine Graphs C.4 and C.5, on which an economic variable and an educational coefficient (L_k/X) were plotted in the hope that if all graduates were taken into account there might be some improvement in the correlations. It will be seen that nothing of the kind happened.

Graph C.4, drawn up with $\Sigma I/L$, shows instead that the number of university graduates for one million dollars' worth of output varies from 3 to over 40 for between \$ 500 and \$ 1,300 invested per head. On the same graph, moreover, the developed countries are aligned around a mean position ($L_k/X = 8$); the correlation tends to be positive, so as to suggest that the density of capital required an increase in the input of qualified manpower per unit of output.

Graph C-4
NUMBER OF PERSONS WITH «UNIVERSITY DEGREE» PER UNIT OF OUTPUT (L_k/X),
AND GROSS CAPITAL FORMATION PER WORKER ($\Sigma I/L$)



In Graph C. 5, the points are also widely scattered, nor can the industrialized countries be dissociated from the others. The slope of the fitted line, although not precisely determined, is nevertheless clearly negative, as the following equation indicates:

$$\log (Lk/X) = 2.31 - 0.41 \log (E/X) \quad R = -0.44$$

(0.19)

N = 21
k = completed
secondary level
or above

Lastly, two other explanatory variables were tested: first, the gross domestic product X, in the hope of taking account of economies of scale; a sufficiently large X would at first sight appear to be the requisite for an extreme division of labour: resulting in low Lk/X's. No satisfactory results were obtained here.

Second, the total population P may be thought to influence the value of Lk/X; with the object of confirming the pressure of demography on the value of the coefficients, $Lk/X = f(P)$ was tested. Curiously enough, the results are "better" at university-degree level:

$$\log Lk/X = 1.33 + 0.24 \log P \quad R = 0.40$$

(0.11)

N = 25

than at the "more than eight years' schooling" level:

$$\log Lk/X = 2.22 + 0.11 \log P \quad R = 0.29$$

(0.09)

N = 17

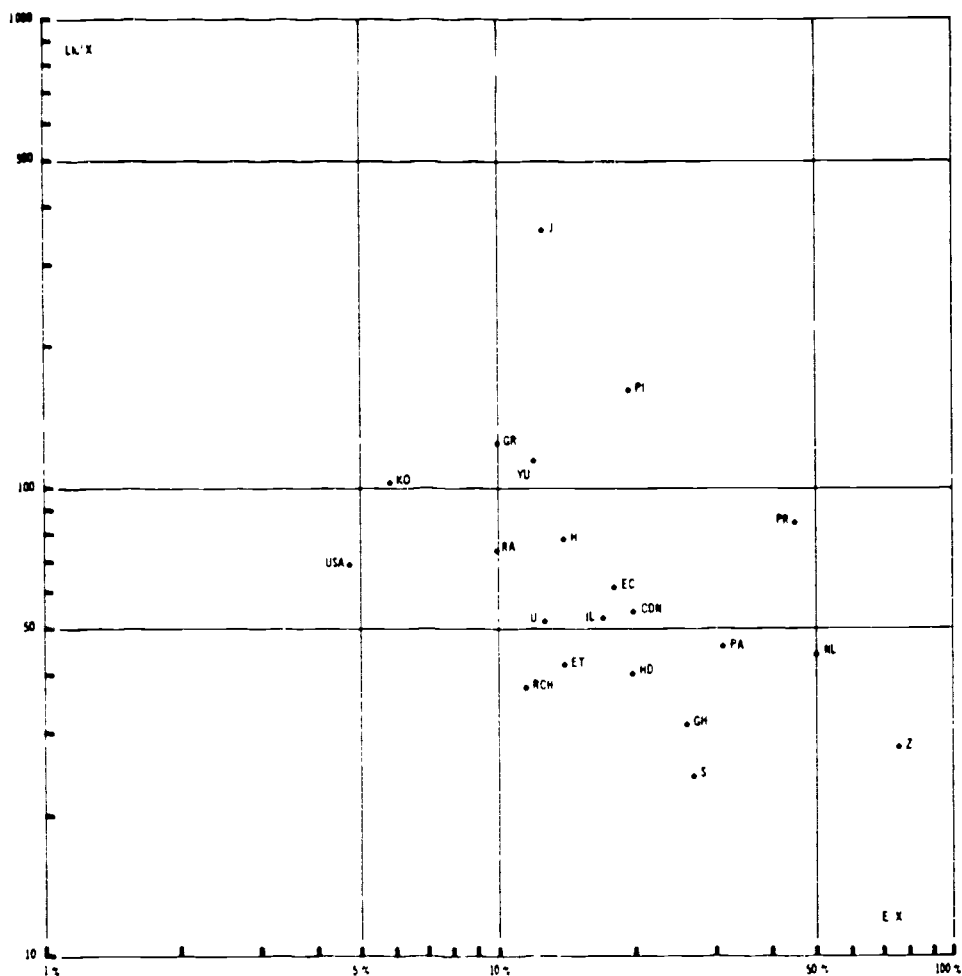
although normally the latter should be more closely affected by the demographic pressure, if any, than the university-degree level.

International comparisons at the macro-economic level thus do not enable any rules, even of the most general kind, to be formulated regarding the constancy or variation of coefficients, with the possible exception of some negative correlations between Lj/X and per capita income, and here for certain occupational categories alone. It must be concluded that factors other than the macro-economic indicators affect the behaviour of these coefficients through a complex relationship which remains to be determined.

iii) The Coefficients and Labour Productivity

As mentioned in the introduction, one advantage of analysing the coefficients was that this allowed forecasting with no reference to

Graph C 5
NUMBER OF PERSONS WITH «COMPLETED SECONDARY SCHOOLING AND ABOVE» PER UNIT OF OUTPUT (Lk X),
AND EXPORTS SHARE IN GDP (E X)



employment or labour productivity. There is another reason which renders the calculations using X/L as an explanatory variable in the double-logarithmic equations unnecessary: the parameters of the $Lk/X = f(X/L)$ type equations can, indeed, be directly deduced from those of the equations in the form $Lk/L = f(X/L)$, the results of which are shown in Chapter X.

These three variables are, in fact, linked by the tautological relationship:

$$(1) \quad (Lk/L) \approx (Lk/X) (X/L)$$

which may also be written:

$$(2) \quad \log (Lk/L) \equiv \log (Lk/X) + \log (X/L)$$

The two regression equations in double-logarithmic form are as follows:

$$(3) \quad \log (100 Lk/L) = \log a_0 + a_1 \log (X/L)$$

$$(4) \quad \log (Lk/X) = \log b_0 + b_1 \log (X/L)$$

If equations (3) et (4) are inserted in identity (2), this gives:

$$(5) \quad \log a_0 + a_1 \log (X/L) = \log b_0 + b_1 \log (X/L) + \log (X/L) + \log 100$$

which may also be written:

$$(6) \quad \log a_0 + a_1 \log (X/L) = (b_1 + 1) \log (X/L) + \log b_0 + 2$$

If (6) is to stay an identity, one must have:

$$\log a_0 = \log b_0 + 2$$

$$a_1 = b_1 + 1$$

It therefore serves no purpose to recalculate the equations $Lk/X = f(X/L)$ when we have the parameters of the equations $Lk/L = f(X/L)$. In the absence of statistical calculations, then, it may be of value to consider a few graphs showing the coefficients and labour productivity; the correlations, which are generally not as good as those obtained with the percentages, may, indeed, give some interesting new insights.

The occupational coefficients $L_j X$ are shown opposite X/L on Graph C.6 for the "administrative and executive workers" category. We all know that this occupational group is not only very heterogeneous, but poses serious problems of classification. Be this as it may, the graph justifies the assumption of constant coefficients for two sub-samples - in the first and most important, the number of managerial workers for one million dollars' worth of output would be roughly ten for countries whose productivity ranges from \$500 to \$7,000 per head* in the second, which includes only developing countries, L_j/X would be somewhere around 20. This constancy of $L_j X$ probably conceals a two-way process - as X/L rises, the falling trend in L_j/X due to the rapid decline in the numbers of working proprietors in industry is offset by the equally rapid increase in the numbers of independent service workers.

Graph C.7 refers to scientific and technical workers with university degrees. As noted in the previous section, there is no strict link between $L_k X$ and the economic variables. It should here be noted, however that the scatter of $L_k X$, which is very pronounced at low levels of productivity**, tends to diminish more and more, especially from the \$2,000 and over productivity level. Does this mean that the utilisation pattern of qualified scientific workers, which is often limited in the non-industrialized countries, is increasing as development proceeds, and that direct econometric links with X/L , may appear as a result? It would be rash to answer in the affirmative, failing an exhaustive study of the utilisation pattern of such manpower. At the same time, in the developing countries, it seems clear that an over-large proportion of scientists are employed in services.

Graph C.8 showing clerical workers with more than eight years' schooling, clearly reveals two alignments. The first has a negative elasticity in relation to X/L . If the second*** is to be believed, L_{jk}/X declines still faster every time X/L moves up (elasticity close to -1); in other words, the efficiency of this manpower group is rapidly improving. To which of these two sub-samples a given country belongs should be decided on the basis of a thorough knowledge of the country's present and recent employment structure.

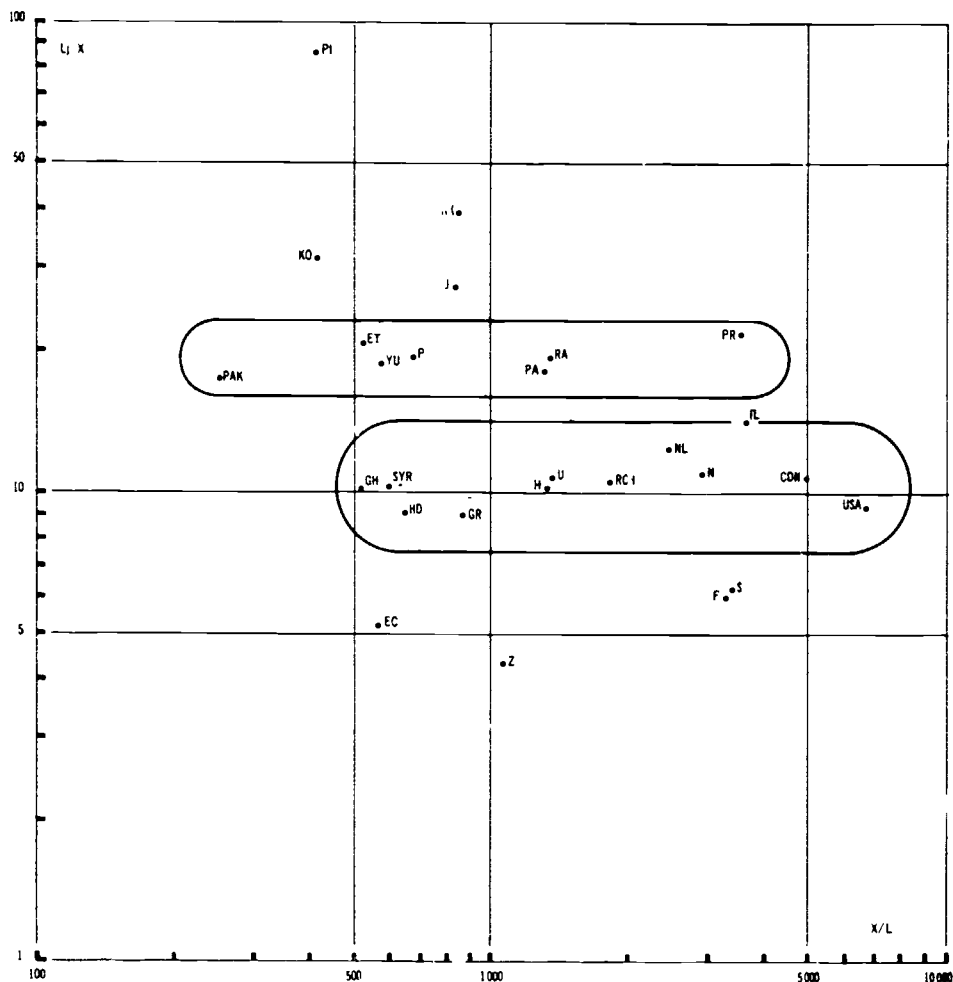
The analysis of these graphs could easily be taken further, but it would soon lose its value. The identification of sub-samples represents

* It will be noted that this sample includes all the industrialized countries, except France and Sweden. For these two countries, $L_{jk} X$ lies between six and seven. Here we merely come up against problems of classification.

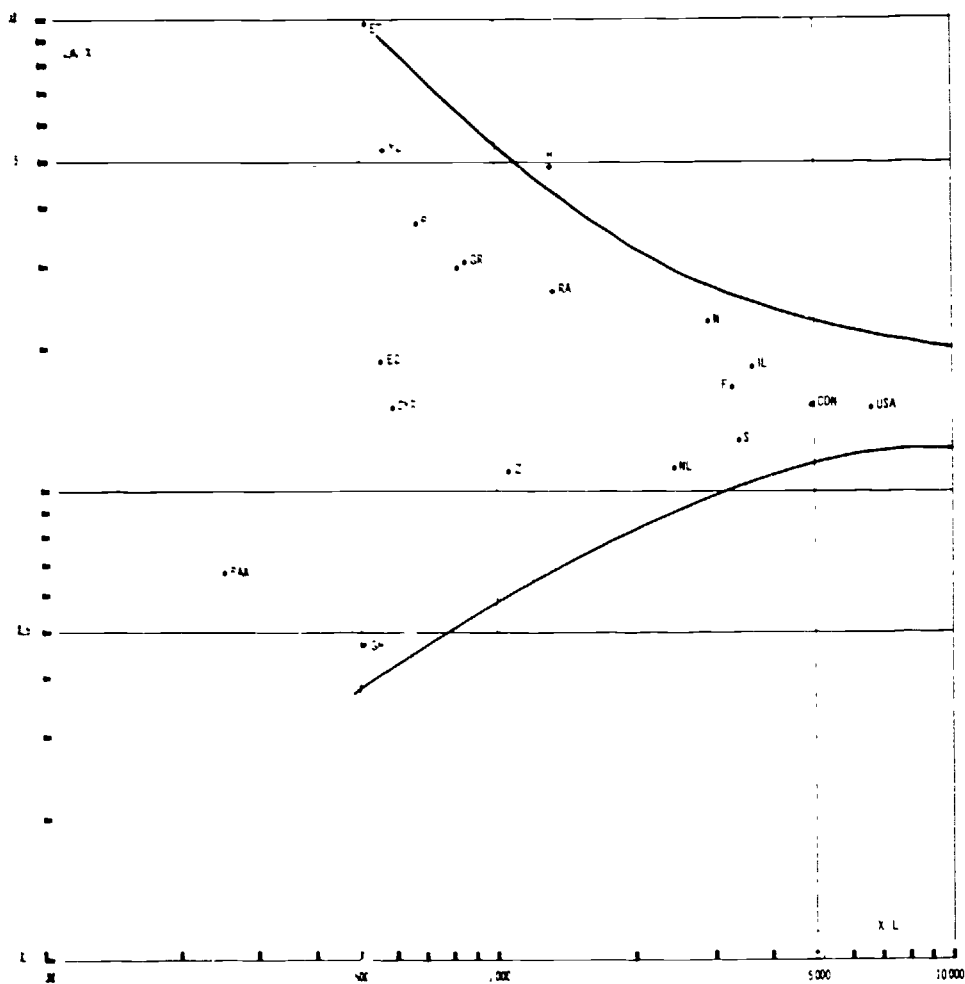
** $L_{jk} X$ varies from 1.5 to 21 for the values of X/L between \$500 and \$1,000: see Graph C.7.

*** which should be confirmed by further observations. The sample covers only largely under-developed countries.

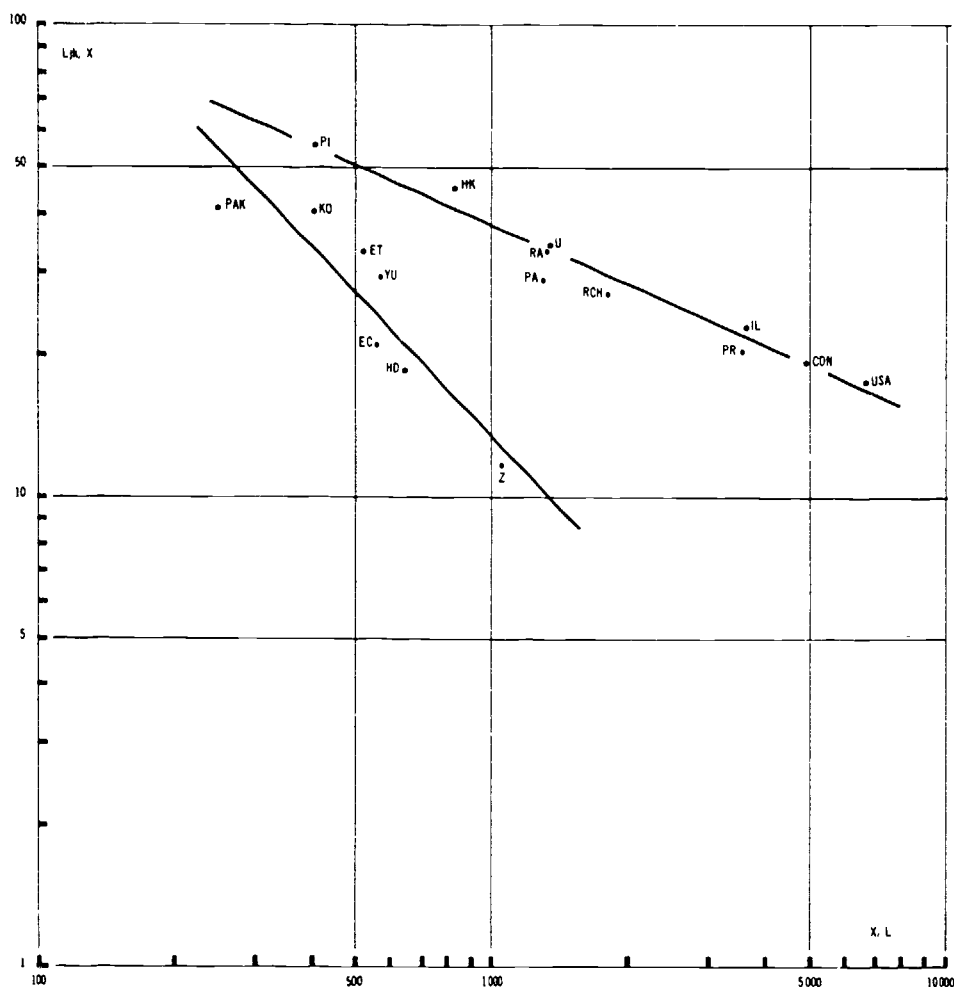
Graph C-6
NUMBER OF «ADMINISTRATIVE, EXECUTIVE AND MANAGERIAL WORKERS» PER UNIT OF OUTPUT ($L_1 X$),
AND OUTPUT PER WORKER (X/L)



GRAPH C-7
 NUMBER OF (SCIENTIFIC AND TECHNICAL WORKERS) WITH (UNIVERSITY DEGREE) PER UNIT OF OUTPUT ($L/k \cdot X$),
 AND OUTPUT PER WORKER ($X \cdot L$)



Graph C-8
 NUMBER OF «CLERICAL WORKERS» WITH «MORE THAN EIGHT YEARS OF SCHOOLING» PER UNIT OF OUTPUT ($L_k X$),
 AND OUTPUT PER WORKER ($X \cdot L$)



only one phase which, however worthwhile it may be, teaches us little about the causes and factors responsible for the very different values assumed by the coefficients in different countries.

More generally, we have not succeeded in this section in bringing out the laws governing variations in the occupational and/or educational coefficients. True these tend to diminish (or at most remain constant) as development proceeds, whatever the indicators used. The indicators are however far from satisfactory, and do not clearly account for the trend of the coefficients.

There seem to be two possible explanations for such poor results. The first relates to substitutions at all stages between different occupational categories and different levels of education: this process may have become so generalized that any international comparison is impossible, each country having its own occupational and/or educational structures which depend on certain factors peculiar to it: organisation to work, occupational descriptions, "vocational value" attached to the educational system, etc.

We acquired the conviction that substitution in all its forms was not a valid explanation in this case. As regards occupational groups, these are sufficiently large to eliminate the factor. * As regards levels of education, we have repeatedly noted that a country "under-educated" at one level is under-educated at other levels: the assumption that one university graduate can be 'replaced' by two or three people who have completed their secondary education is, in fact, never confirmed.

The second and, we think, more plausible explanation resides in the problems of utilization of qualified manpower. Apart from his occupational group and level of instruction, a worker is defined more particularly by the function he performs (research, distribution, production, etc.), the branch of the economy in which he works**, not to mention more elusive organisational factors.

3. ANALYSIS OF THE SECTORAL EDUCATIONAL COEFFICIENTS

The approach which consists of adjusting the educational level of economic sectors, represented by percentages Lik/L or Lik/L_1 , with

* It is intuitively clear that the smaller the categories the more feasible the substitutions. We saw this in the case of such a category as technical plans for which few positive results were obtained.

** The fact that in developing countries many scientific workers of low productivity sectors (services), not in productive branches of the economy, may explain a great deal.

technological indicators, is certainly the easiest one to apply at the various stages of what has come to be called "the manpower forecasting approach for quantifying the economic aims of education".

Let us briefly recall the successive phases of this method. Its aim is:

- 1) to determine the trend of GDP by sectors during the next ten or fifteen years;
- 2) to work out the general trends of sectoral labour productivity;
- 3) to deduce employment by sectors by comparing 1) and 2);
- 4) to break down this sectoral employment by major occupational categories for the base year and the end year and, after subtracting survivors, to deduce the numbers of new entrants by categories;
- 5) lastly, to apply to each category a given educational profile and, by aggregation, to calculate the total educational needs during the forecast period.

There has never been any lack of support for a procedure which would be both simpler and quicker. Baldly stated, this requires either the elimination of stage 4, i. e. , the breakdown by occupational categories, or the still more radical elimination of stages 2, 3 and 4, by proceeding direct from the product (total or sectoral) (stage 1) to requirements by educational levels (stage 5).

We dealt with the first type of such a "short cut" at length in the First Volume; it is the second which interests us here.

The simplest method of "bypassing" both employment by sectors (and thus sectoral productivity) and the breakdown by occupational categories is to relate the numbers with a given level of education in a given sector directly to sector output, i. e. , Lik/Xi (Xi in millions of US dollars, 1960). We shall call this type of ratio the "sectoral educational coefficient".

The advantage in analysing these coefficients as done here is two-fold.

From the static aspect, an international comparison of the inputs of qualified manpower per unit of sectoral output may bring out certain similarities or differences between countries whose analysis may prove of value. Insofar as these coefficients reflect utilization patterns of skilled manpower in a given sector, their relative values will of course be highly important.

The comparison of two series of coefficients for different educational categories should also make it possible to determine whether any substitution effects exist between levels of education.

From the dynamic standpoint, a knowledge of the laws governing the changing (or constant) trend of the coefficients is clearly of primary importance for forecasting purposes.

We will first, briefly consider the existing links between sectoral educational coefficients (Lik/Xi) and general educational coefficients (Lk/X). The different Lik/Xi 's will then be related to some economic indicators. Lastly, a rapid graphic analysis of the coefficients with sectoral productivity will be made.

i) Sectoral Educational Coefficients and
Overall Educational Coefficients

We have already briefly referred to the trend of the different educational coefficients Lk/X . The number of qualified workers per unit of total output is, however, but the weighted resultant of the number of qualified workers per sector and per unit of sectoral output. If, then, Lk/X is regarded as a measurement of the utilization pattern of qualified manpower in the economy as a whole, very different trends may be encountered in separate sectors; and some may be more responsible than others for the values assumed by Lk/X in the economy as a whole.

It is thus not without interest to study the trend for the different Lik/Xi 's as a function of Lk/X . We shall test, for each sector, a series of equations in the form:

$$\log (Lik/Xi) = \log a + b \log (Lk/X)$$

showing how the utilization of qualified manpower at the sector level reacts when it changes in the economy as a whole.

The results of these equations are shown in Table C.3. The usually excellent correlations give no cause for surprise; since Lik/Xi is contained in Lk/X , they are partly artificial.

The regression coefficients are more interesting, especially if a "vertical" comparison is made between them at each level of education; it will thus be seen that they are always lowest for the manufacturing sector* and highest for transport**, those for commerce taking an intermediate value.

* Ranging from 0.65 to 0.90, according to the level of education considered.

** Ranging from 1.00 to 1.50, according to the level of education considered.

Table C.3. SIMPLE REGRESSION EQUATIONS LINKING THE SECTORAL EDUCATIONAL COEFFICIENTS (Lk/Xi)
TO THE EDUCATIONAL COEFFICIENTS (Lk/X)

$$\log (Lk/X_i) = \log a + b \log (Lk/X)$$

ECONOMIC SECTORS	DEGREE LEVEL AND ABOVE (A)				COMPLETED SECONDARY SCHOOLING AND ABOVE (B)				MORE THAN EIGHT YEARS OF SCHOOLING (C)				EIGHT YEARS OF SCHOOLING AND LESS (D)			
	N	R	log a	b(σ b)	N	R	log a	b(σ b)	N	R	log a	b(σ b)	N	R	log a	b(σ b)
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Manufacturing	18	0.87*	-0.24	0.89(0.12)	13	0.81*	-0.02	0.89(0.20)	10	0.76*	0.70	0.65(0.20)	10	0.94*	0.40	0.80(0.10)
Commerce ..	16	0.93*	-0.36	1.08(0.11)	11	0.88*	-0.16	1.03(0.19)	10	0.80*	0.74	0.62(0.16)	10	0.92*	0.31	0.75(0.11)
Transport ..	18	0.94*	-1.04	1.47(0.14)	13	0.87*	-0.45	1.17(0.20)	10	0.83*	-0.05	1.00(0.24)	10	0.93*	0.51	0.73(0.10)

In other words, when the utilization of qualified manpower worsens (Lk/X rises), it worsens less rapidly in the productive sectors than in the others.

ii) Sectoral Educational Coefficients and Economic Variables

The object here is to describe a few econometric relationships linking the educational coefficients for the manufacturing sector with some economic indicators.

Reverting to the line of thought already expounded in Part Three, we thought at first that the value assumed by Lik/X_i depended on the level of development, there being every likelihood that qualified manpower would be better used (Lik/X_i low) in the industrialized countries than in others.

It is also certain that the value of Lik/X_i depends on the absolute size of the sectoral output X_i : the higher the latter the greater the likelihood of economies of scale, leading to low educational coefficients. Lastly, it was considered that the level of technology as indicated by the proportion of exported manufactured goods in sectoral output, E_i/X_i , might have some influence on the value of those coefficients.

At "university degree level or above", the preceding considerations led to the following results (with 18 observations):

$$(1) \log (Lik/X_i) = 1.44 - 0.24 \log (X/P) \quad R=0.33$$

(0.17)

$$(2) \log (Lik/X_i) = 1.40 + 0.28 \log X_i - 0.55 \log (X/P) \quad R=0.68$$

(0.09) (0.17)

$$(3) \log (Lik/X_i) = 1.40 + 0.32 \log X_i - 0.55 \log (X/P) - 0.12 \log (E_i/X_i) \quad R=0.73$$

(0.09) (0.17) (0.08)

There is, therefore, no significant statistical link between the educational coefficients and per capita income; correlation, on the other hand, is considerably improved by the introduction of X_i : X/P and X_i between them account for nearly 50% of the variance for Lik/X_i . As for the variable E_i/X_i , it does little to improve the correlation, while its elasticity is not significant.

It would be rather difficult to confirm these results for any other level of education in this sector. Thus, taking the numbers with "more than eight years' schooling", we obtained (with 10 observations):

$$\log (\text{Lik}/\text{Xi}) = 2.48 - 0.16 \log (\text{X}/\text{P}) \quad R = 0.35$$

(0.15)

$$\log (\text{Lik}/\text{Xi}) = 2.46 + 0.63 \log \text{Xi} - 0.25 \log (\text{X}/\text{P}) \quad R = 0.49$$

(0.08) (0.17)

It will be seen that the correlations are low and the regression coefficients are non-significant. Even poorer results would be obtained for "completed secondary level or above", where there is almost perfect independence between Lik/Xi and X/P. These results are rather discouraging, except at "university degree level".

Our conclusion must be the same as that arrived at in the preceding Section. A fraction of the variance in the sectoral coefficients can certainly be explained by macro-economic indicators. The latter, are, however, too general to account entirely for patterns of utilization; one would have to introduce additional explanatory variables, such as work functions, age structure of employment, physical environment (size of enterprises) or human environment (qualifications of auxiliary manpower), etc.

iii) Sectoral Educational Coefficients and Labour Productivity

As in the preceding Section we shall here neglect the regression analyses, as the percentages (Lik/L and Lik/Li) are linked with the coefficients (Lik/Xi) through labour productivity (Xi/Li), as shown in the following tautological relationship:

$$(a) \quad \text{Lik}/\text{L} = (\text{Lik}/\text{Xi}) (\text{Xi}/\text{Li}) (\text{Li}/\text{L})$$

$$(b) \quad \text{Lik}/\text{Li} = (\text{Lik}/\text{Xi}) (\text{Xi}/\text{Li})$$

As a result of the b) tautology, any function $\text{Lik}/\text{Li} = f (\text{Xi}/\text{Li})$ implies another function of the form $\text{Lik}/\text{Xi} = f (\text{Xi}/\text{Li})$, the parameters of which are strictly linked with those of the first function when the double-logarithmic form is used.

We can thus put:

$$\log (100 \text{ Lik}/\text{Li}) = \log a_0 + a_1 \log (\text{Xi}/\text{Li})$$

$$\log (\text{Lik}/\text{Xi}) = \log b_0 + b_1 \log (\text{Xi}/\text{Li})$$

which readily leads to:

$$(1) \log b_0 = \log a_0 - 2$$

$$(2) \quad b_1 = a_1 - 1$$

We have already given a mathematical demonstration of these formulae and shall confine ourselves here to a graphic illustration..

It is fairly easy to provide graphic confirmation of formula by subdividing our sample into small groups of countries for which the elasticities show conspicuous values (determined graphically, not by calculation).

A few of these conspicuous value appear in the following table:

Chief values of elasticities for equations in double-logarithmic form

<u>Lik/Li = f (Xi/Li)</u>	<u>and</u>	<u>Lik/Xi = f (Xi/Li)</u>
Illustrative graphs		
$a_1 = + \infty$	(C. 9) MA (C.10)	$b_1 = + \infty$
$+ 1 < a_1 = + \infty$	(C.13) TB (C.14)	$0 < b_1 < + \infty$
$a_1 = + 1$	(C. 9) MA (C.10)	$b_1 = 0$
$0 < a_1 < + 1$	(C. 9) MA (C.10)	$- 1 < b_1 < 0$
$a_1 = 0$	(C.11) CA (C.12)	$b_1 = - 1$
$- \infty < a_1 < 0$	(C.11) CA (C.12)	$- \infty < b_1 < - 1$
$a_1 = - \infty$	(C. 9) MA (C.10)	$b_1 = - \infty$

Graphs C.9 and C.10, with i representing manufacturing and k university degree level, allow certain conspicuous values for a_1 and b_1 to be checked graphically.

- Thus, the group of four countries* whose productivity lies in the 800 to 1,100 dollar range per person employed has an elasticity of $\pm \infty$ in both graphs;

* Japan, the Philippines, Egypt, Syria.

- the group of six countries for which the elasticity is roughly equal to 1 in Graph C.9* clearly has an elasticity close to zero in Graph C.10 for a value of Lik/Xi of between 5.5 and 7;
- lastly, the group of six countries for which the elasticity lies between 0 and 1 in Graph C.9** appears to have a negative elasticity of more than -1 in Graph C.10.

Similarly it can be seen from Graphs C.11 and C.12, where i represents commerce and k university degree level, that:

- the group of five countries with zero elasticity according to Graph C.11*** - $1.2\% < Lik/Li < 1.6\%$ - are found to have an elasticity roughly equal to -1 in Graph C.12;
- six countries whose elasticity is shown in Graph C.11 as largely negative**** are found to have an elasticity distinctly lower than -1 in Graph C.12.

Lastly, Graphs C.13 and C.14 show that when the elasticity of Lik/Li in relation to Xi/Li lies between +1 and $+\infty$ for any group of countries****, the elasticity of Lik/Xi for those same countries is clearly positive.

It thus seems clearly established, mathematically and graphically, that the parameters of equations (1) and (2) are strictly interconnected; it is therefore needless to test these two types of equations in the hope of obtaining different results.

This being granted, the next purpose of graphic analysis is to ascertain whether substitution phenomena are responsible for the poor correlations between the coefficients and economic indicators.

If, then, a comparison is made between Graphs C.10 and C.15 on which Lik/Xi is shown, i representing the manufacturing sector and k "university level" and "completed secondary level or above" in turn, the following points may be noted:

- Lik/Xi is higher for Japan than for other countries at both levels of education.
- Taking the United States as a standard of reference, Lik/Xi is high for the Philippines at university level, and identical at

* Israel, Hungary, Poland, Yugoslavia, Argentina, Uruguay.

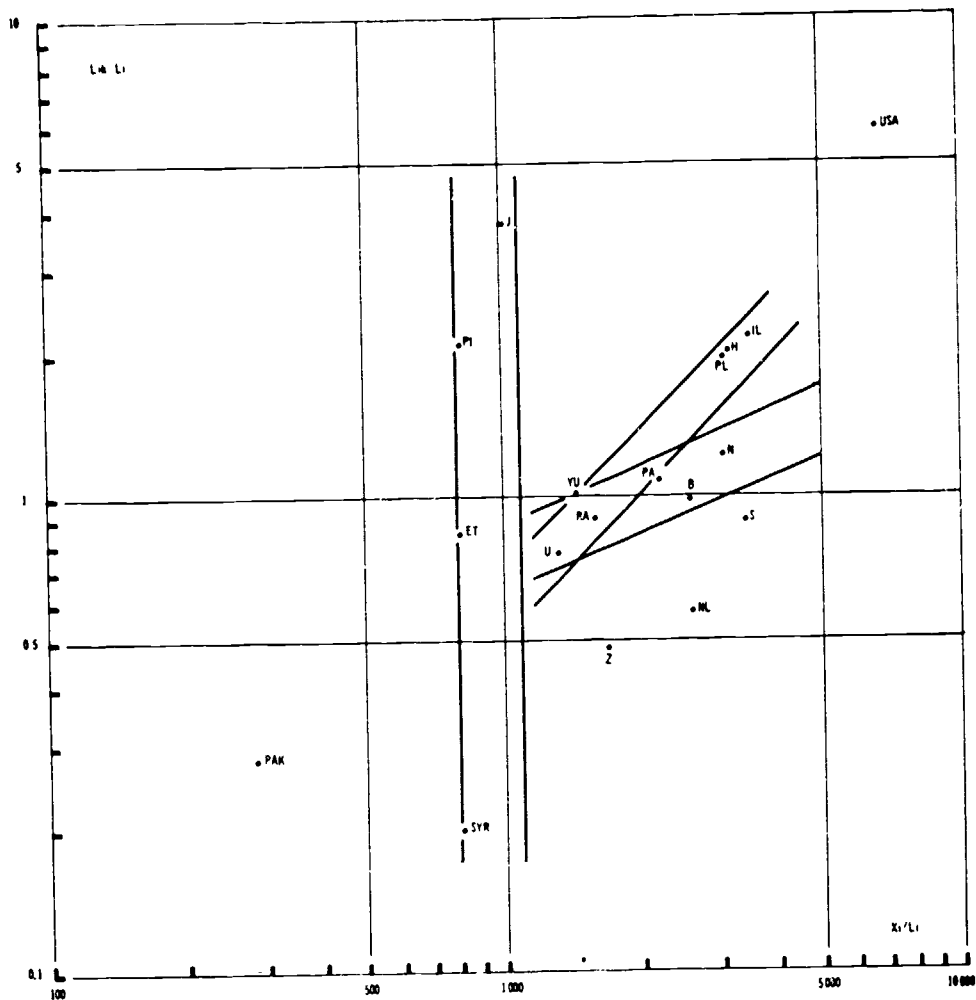
** Norway, Belgium, Panama, Argentina, Yugoslavia, Uruguay.

*** Sweden, Uruguay, Argentina, Yugoslavia, Egypt.

**** Japan, the Philippines, Argentina, Yugoslavia, Uruguay, the Netherlands.

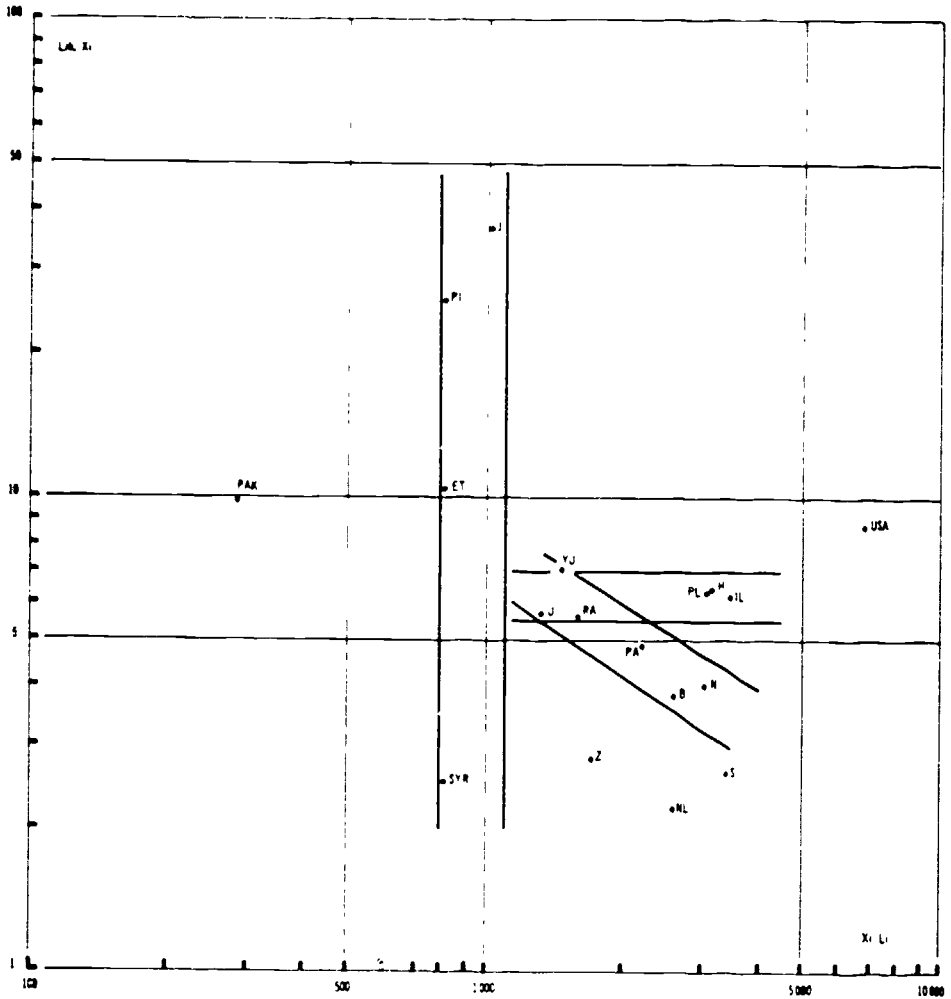
***** United States, Israel, Belgium, Uruguay, Egypt.

Graph C-9
MANUFACTURING PERSONNEL WITH «UNIVERSITY DEGREE» AS A PROPORTION OF SECTORAL EMPLOYMENT (L_k/L_i),
AND SECTOR OUTPUT PER WORKER (X_i/L_i)

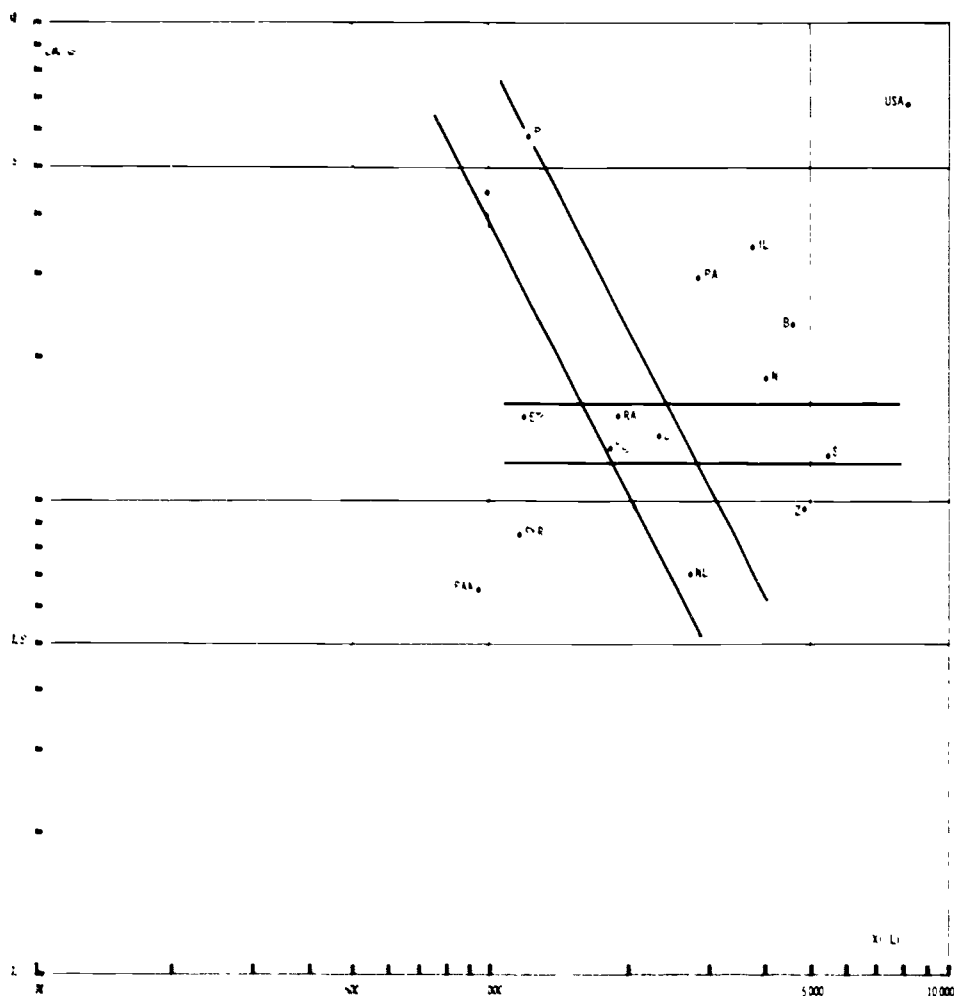


Graph C-10

MANUFACTURING PERSONNEL WITH A UNIVERSITY DEGREE PER UNIT OF SECTOR OUTPUT ($L_U: X_U$)
AND SECTOR OUTPUT PER WORKER ($X: L$)

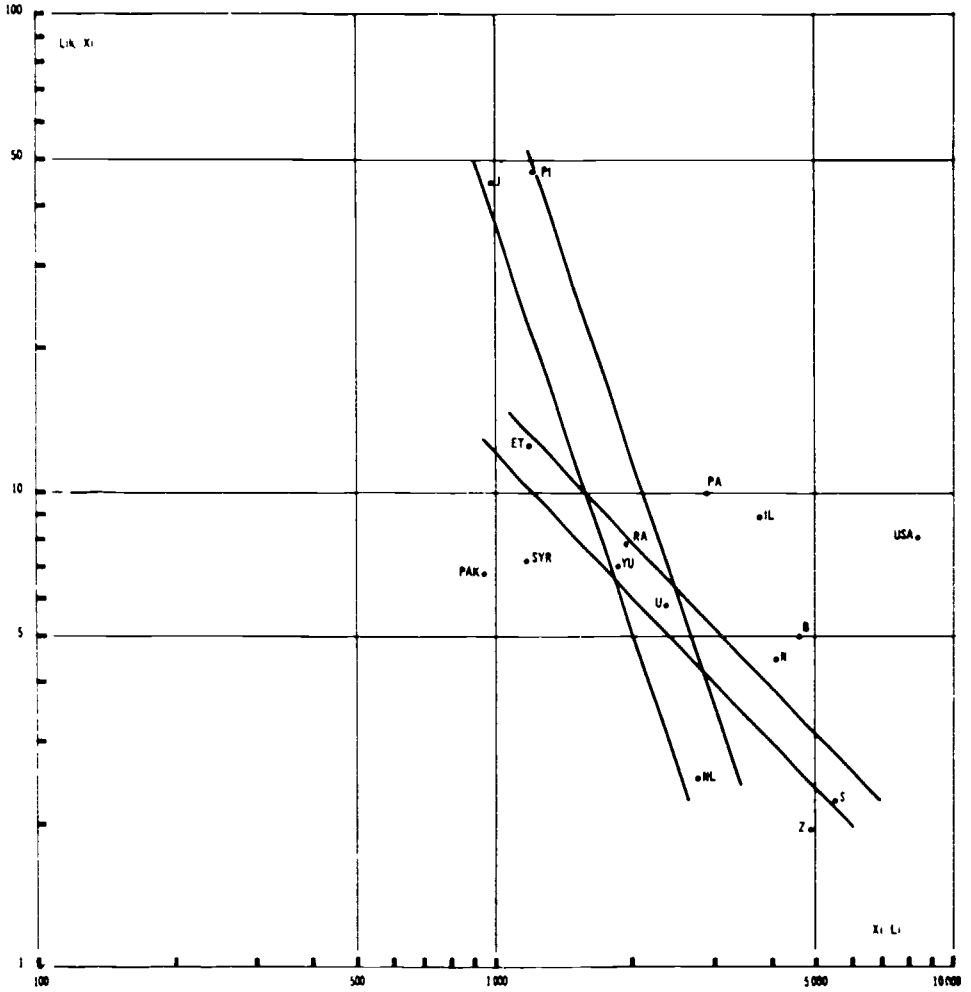


GRAPH C-11
 COMMERCE PERSONNEL WITH UNIVERSITY DEGREE: AS A PROPORTION OF SECTORAL EMPLOYMENT (L_{12}/L_1),
 AND SECTOR OUTPUT PER WORKER (X_1/L_1)



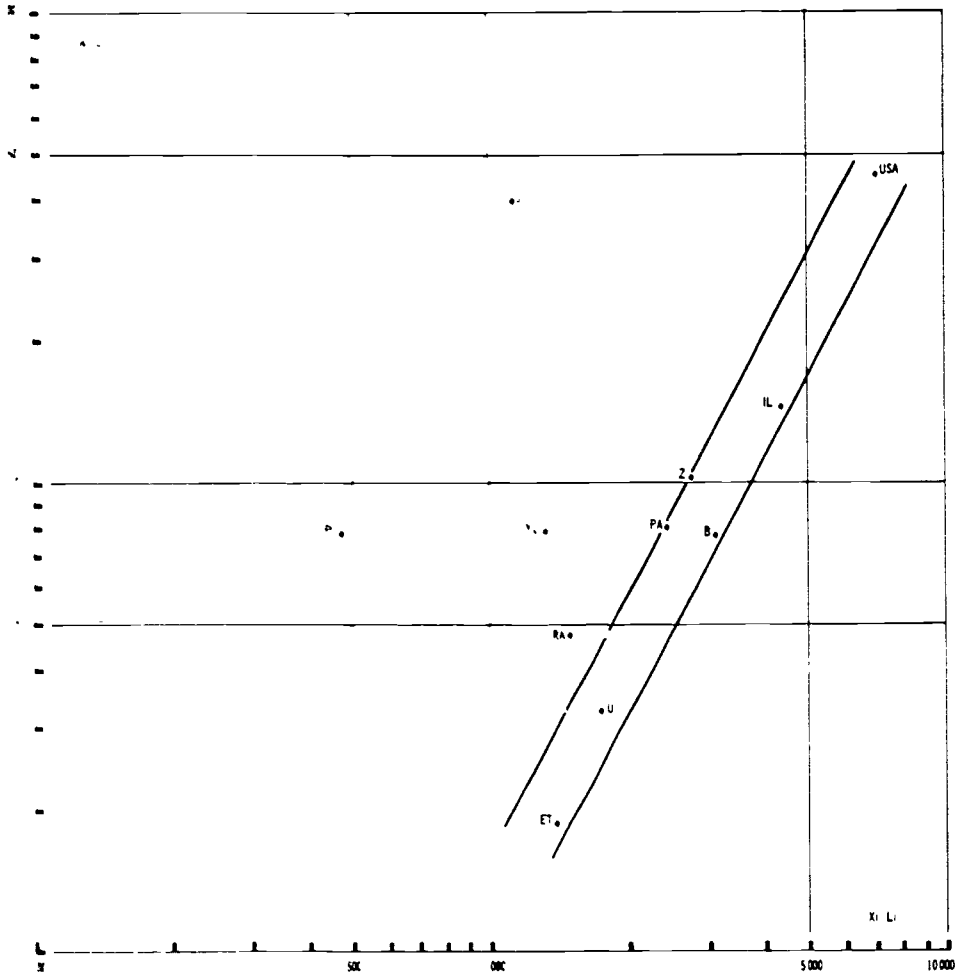
Graph C-1'

COMMERCE PERSONNEL WITH A UNIVERSITY DEGREE PER UNIT OF SECTOR OUTPUT (L_k/X_k),
AND SECTOR OUTPUT PER WORKER (X_k/L_k)



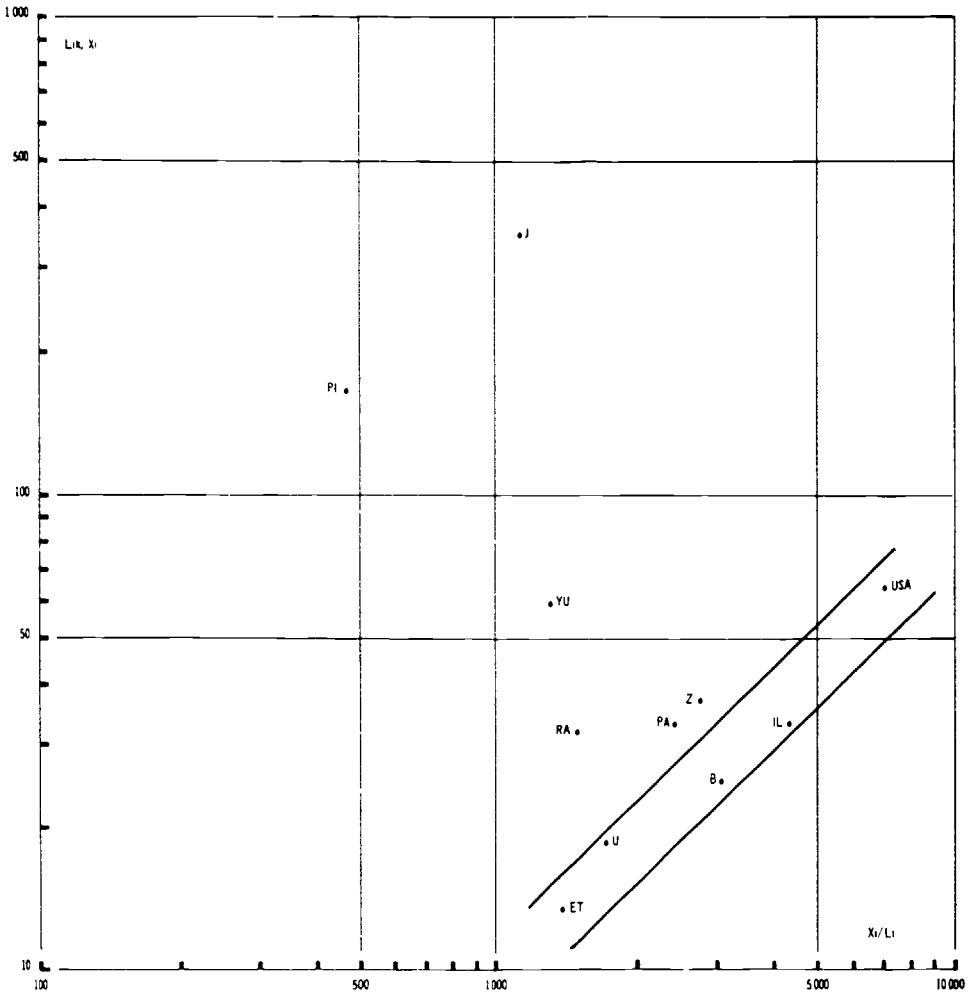
GRAPH 13

TRANSPORT PERSONNEL WITH COMPLETED SECONDARY SCHOOLING AND ABOVE
AS A PROPORTION OF SECTORAL EMPLOYMENT (L_i/L) AND SECTOR OUTPUT PER WORKER (X_i/L_i)



Graph C-14

TRANSPORT PERSONNEL WITH «COMPLETED SECONDARY SCHOOLING AND ABOVE» PER UNIT OF SECTOR OUTPUT (L_k/X_k)
AND SECTOR OUTPUT PER WORKER (X_k/L_k)



completed secondary level. In view of the fact that our levels of education are cumulative, this points to a large stock of university-trained manpower combined with far from adequate numbers at secondary level.

Similar observations could be made for Egypt.

- On the other hand the relative positions of the other countries, which are roughly the same in both graphs, cannot be regarded as explained by substitutions of manpower with different levels of education.

A brief glance at Graphs C 12 and C 16 shows that the above observations also hold true for the commercial sector. It may be added that the most frequently observed values for Lk X₁ lie between 7 and 10 at university level, and between 40 and 60 at "completed secondary level or above".

Barring then a few rare exceptions, graphic analysis cannot explain by substitution effects the mediocre correlations noted between the sectoral educational coefficients and the economic indicators. In other words, few indeed are the countries "overeducated" at university level which are "undereducated" at secondary level, and vice versa.

On the other hand, the Lk X₁ or Lk L₁ graphs have in many cases drawn attention to countries or groups of countries which are "overeducated" or "undereducated" at any level of education. Barring such exceptions as the Philippines and Egypt, there seems to be a proper balance between the different educational levels. These conclusions do no more than confirm those arrived at for the general educational coefficients Lk X.

Before concluding, some reference to the hitherto relationships (a), so far neglected, may be helpful. The addition of a third term (L₁ L) on the right-hand side rules out any graphic demonstration.

Mathematically, on the basis of the following three equations

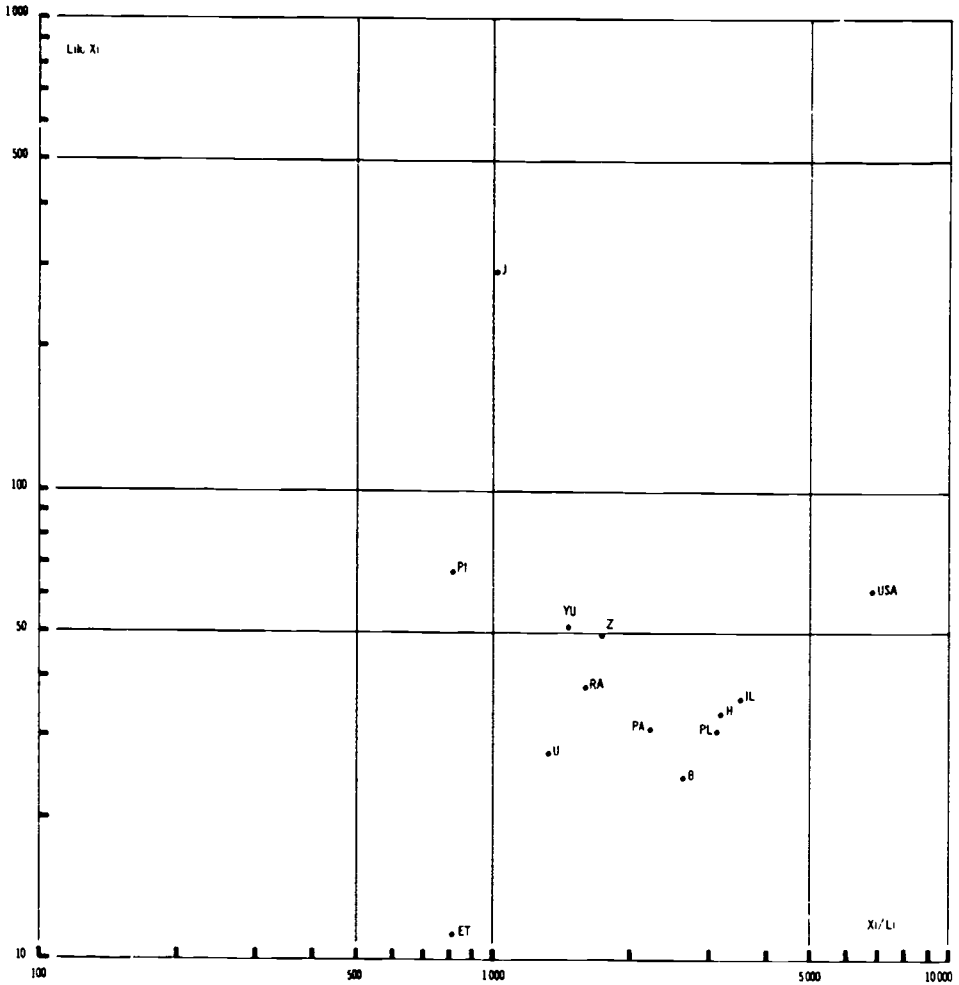
$$\log \text{Lk X}_1 = \log d_0 + c_1 \log \text{X}_1 \text{ L}_1$$

$$\log 100 \text{ L}_1 \text{ L} = \log d_0 + c_1 \log \text{X}_1 \text{ L}_1$$

$$\log 100 \text{ Lk L} = \log d_0 + c_1 \log \text{X}_1 \text{ L}_1$$

Graph C-15

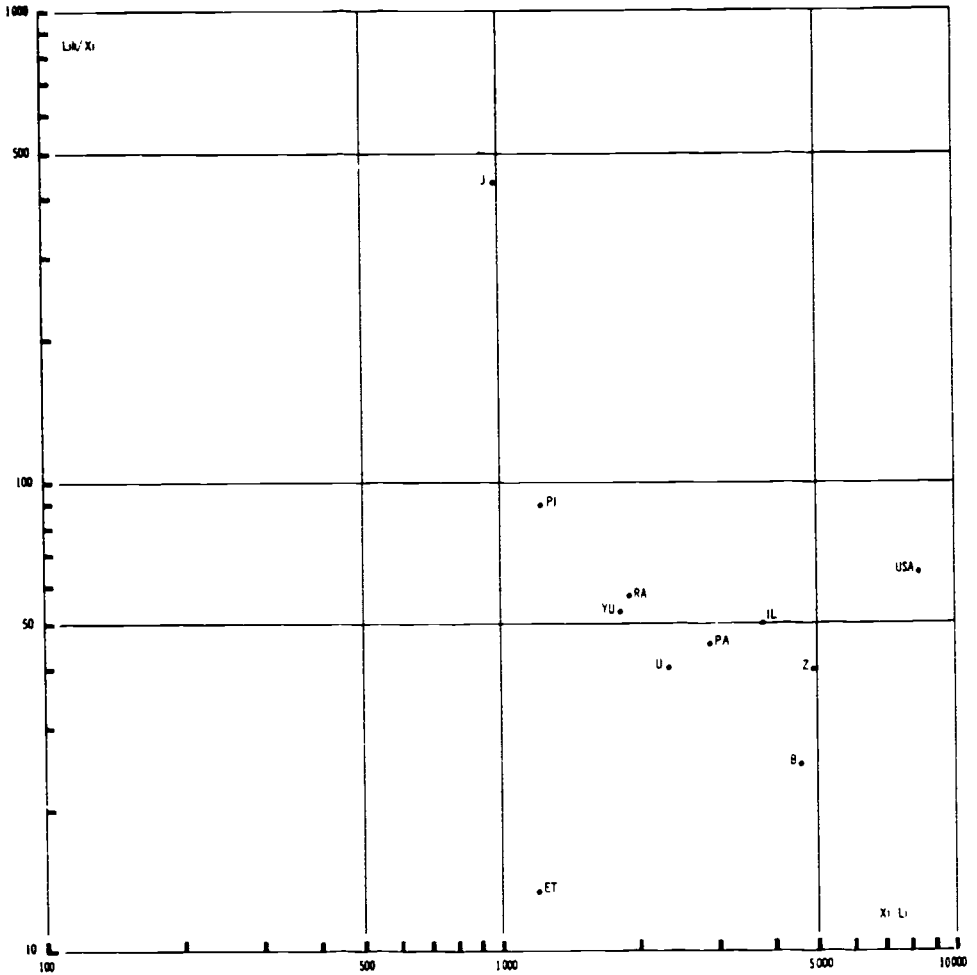
MANUFACTURING PERSONNEL WITH «COMPLETED SECONDARY SCHOOLING AND ABOVE» PER UNIT OF SECTOR OUTPUT ($Lik \cdot X_i$)
AND SECTOR OUTPUT PER WORKER (X_i/L_i)



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Graph C-16

COMMERCE PERSONNEL WITH COMPLETED SECONDARY SCHOOLING AND ABOVE, PER UNIT OF SECTOR OUTPUT (L_k/X_k),
AND SECTOR OUTPUT PER WORKER (X_k/L_k)



we arrive at the following relationships:

$$(3) \log b_0 = \log d_0 - \log c_0$$

$$(4) \quad b_1 = \quad d_1 - c_1 - 1$$

By combining formulae (1) and (3), on the one hand, and (2) and (4) on the other, we obtain values for the parameters of the Lik/L equation most frequently used in this part of the study:

$$(5) \log d_0 = \log a_0 + \log c_0 - 2$$

$$(6) \quad d_1 = \quad a_1 + c_1$$

Formulae (5) and (6) can easily be checked by Tables IV-1 and IV-2 which will be found in the First Volume, and by testing a few equations with Li/L as a dependent variable.

Annex D

FITTING PRODUCTION FUNCTIONS

1. INTRODUCTION

In the first volume attempts were made to fit a number of "demand functions" in which the economic indicators were regarded as explanatory variables. As was made clear in the First Part of this study, this type of function cannot easily be derived from the economic theory of production, and economists are often reduced to making rather unorthodox juxtapositions between the production and demand functions, with the usual warnings concerning inter-relationships*.

Unfortunately, we are not immune to this rule, and the present Annex will, therefore, be devoted to fitting a few production functions of the Cobb-Douglas type, a) first at the level of the economy as a whole and b) for the Manufacturing sector alone.

The originality of these functions resides, of course, in the breakdown of the labour input into different educational levels.

2. PRODUCTION FUNCTIONS FOR THE WHOLE ECONOMY

Some production functions tested in double-logarithmic form will be shown below; they are Cobb-Douglas functions in their most elementary form, of the type: $X = B \cdot L^{\alpha} \cdot C^{\beta}$.

The dependent variable will be the gross domestic product, measured in US dollars. The capital factor will be roughly represented

* See the introductory paragraph to Chapter VIII.



by the sum of gross fixed capital formation cumulated over the eight years preceding the census year. The labour input was broken down into two factors: Lk_A represents the numbers in the labour-force holding a University degree; $L-Lk_A$ represents all the rest of the labour-force.

By introducing the variables into the equation one after the other, the following results were obtained (with 22 observations):

$$(1) \quad \log X = -5.11 + 0.92 \log \Sigma I \quad R = 0.98$$

(0.04)

$$(2) \quad \log X = -4.05 + 0.69 \log \Sigma I + 0.22 \log Lk_A \quad R = 0.99$$

(0.07) (0.12)

$$(3) \quad \log X = -4.47 + 0.68 \log \Sigma I + 0.16 \log Lk_A +$$

(0.07) (0.09)

$$0.13 \log (L-Lk_A) \quad R = 0.99$$

(0.11)

To judge by the numerical value of the correlation coefficients, the fits are clearly excellent. The fact that the simple correlation between ΣI and X is already 0.98 foreshadows a high collinearity between explanatory variables. As always in such cases, precision of the regression coefficients falls off sharply as new variables are introduced, to the point where they are non longer usable. The (slight) improvement in correlation by no means makes up for this drawback.

To remedy it, equation (3) was retested by eliminating the "capital" factor, so as to isolate the influence of the two labour variables. The result obtained was as follows:

$$(4) \quad \log (X) = -0.69 + 0.66 \log Lk_A + 0.18 \log (L-Lk_A) \quad R = 0.92$$

(0.14) (0.21)

If these figures can be relied on, the "explained" amount of variance in X is here 86%, as against 96% with ΣI alone ...

The dilemma can be partly solved by taking as the explanatory variable "capital" per person employed: $\Sigma I/L$; this gives:

$$(5) \quad \log X = -4.47 + 0.68 \log (\Sigma I/L) + 0.17 \log Lk_A +$$

(0.07) (0.09)

$$0.80 \log (L-Lk_A) \quad R = 0.99$$

(0.12)

The simple correlation between X and $\Sigma I/L$ being lower ($R = 0.60$) than that between X and ΣI ($R = 0.98$), the labour variables may then improve the relationship appreciably. If equations (3) and (5) are compared, only the regression coefficient of $(L - Lk_A)$ rises to the point where it becomes significant. The explanation is quite simple; inasmuch as Lk_A is relatively low, $(L - Lk_A)$ is close to L , and it is as if we substituted in (3) and (5):

$$\log X = f(\Sigma I, L) \text{ and } \log X = f(\Sigma I/L, L).$$

We did not think it necessary to test other production functions by disaggregating the labour factor a little more, although it would be perfectly possible to isolate the numbers in the labour force with secondary level education (Lk_B), or with merely "more than eight years' schooling" (Lk_C). All these variables thus are closely correlated with X and, hence, with each other:

R	I	Lk_A	$L - Lk_A$	Lk_B	Lk_C	L	$\Sigma I/L$
X	0.98	0.92	0.87	0.95	0.96	0.85	0.60

The number of observations varies between 25 and 17.

One may say that the "scale effects" are largely responsible for the high collinearity observed between all these variables. Some equations were therefore computed using total employment (L) as a deflator for all variables. The following results were obtained:

$$\log (X/L) = 0.98 + 0.68 \log (\Sigma I/L) + 0.13 \log (Lk_A/L) \quad R = 0.95$$

(0.07) (0.07)

or with the educational level C (more than eight years of schooling)

$$\log (X/L) = 0.89 + 0.63 \log (\Sigma I/L) + 0.23 \log (Lk_C/L) \quad R = 0.95$$

(0.11) (0.15)

As can be observed, the precision of the regression coefficient on Lk_A is still very low in spite of the deflator. We shall see now whether the fitting of a production function on a sectoral level is somewhat less disappointing.

3. PRODUCTION FUNCTIONS FOR THE MANUFACTURING SECTOR

The dependent variable will be the output of the Manufacturing sector (X_i). As data are lacking on the stock of capital in this sector, this concept will be replaced by "per capita consumption of energy" (G), which in most countries is fairly representative of installed capacity.

The labour factor will be divided into two sub-variables; numbers in the sector with a university degree (Lik_A) and the remaining labour force ($L - Lik_A$).

This gives the following results, in double-logarithmic form, with 18 observations:

$$\begin{aligned} \log X_i = & -2.92 + 0.25 \log Lik_A + 0.60 \log (L - Lik_A) + \\ & (0.08) \qquad (0.10) \\ & 0.52 \log G \qquad R = 0.99 \\ & (0.05) \end{aligned}$$

As always in a function of this type, the fit is excellent but rather misleading; thus, the simple correlation coefficient between Lik and X_i is already 0.95, and the other two variables, therefore, do little to improve the fit*.

Only the simple correlation between X_i and G ($R = 0.64$) is appreciably improved by introducing one of the labour variables.

Bearing this in mind, the elasticities obtained are far more precise than those found with the same production function for the economy as a whole.

Similar results may be obtained if the two labour variables are changed; thus, Lik_C will here represent numbers in the sector with "more than eight years' schooling", and Lik_D those with "eight years' schooling or less". With 11 observations we then obtain:

$$\begin{aligned} \log X_i = & -3.48 + 0.42 \log Lik_C + 0.52 \log Lik_D + \\ & (0.14) \qquad (0.15) \\ & 0.52 \log G \qquad R = 0.99 \\ & (0.12) \end{aligned}$$

* ($L-Lik$) is also very closely correlated with X_i : $R = 0.92$.

In considering the correlation coefficient for the above equation, it must not be forgotten that the simple correlation between X_i and Lik_C is 0.98 ...

To eliminate "scale effects", a few equations were computed using total employment in the Manufacturing sector (L_i) as a deflator. The following results were obtained:

$$\log (X_i / L_i) = 1.75 + 0.50 \log G + 0.10 \log (Lik_A / L_i) \quad R = 0.92$$

(0.07) (0.11)

and with Lik_B as the number of people working in the Manufacturing sector with "Complete secondary schooling and above":

$$\log (X_i / L_i) = 1.92 + 0.43 \log G + 0.09 \log (Lik_B / L_i) \quad R = 0.85$$

(0.12) (0.14)

and with Lik_C as the number of people working in the Manufacturing sector with "More than eight years of schooling":

$$\log (X_i / L_i) = 1.54 + 0.47 \log G + 0.28 \log (Lik_C / L_i) \quad R = 0.95$$

(0.12) (0.20)

These few examples seem to confirm the conclusions already formulated when fitting a production function for the economy as a whole with regards to the lack of precision of the regression coefficients on the labour factor. Without lapsing into complete scepticism, it must be concluded that disaggregation of the labour factor or, better still, its weighting for educational levels merely increases and adds to the collinearity phenomena. As a matter of fact, as long as one is not able to isolate labour inputs independent from each other and from the capital factor, to calculate the respective influences of any given factor on output seems to be more hazardous than useful. On the other hand, at the aggregate level, the problem of heterogeneity of output may be the source of many disillusion, and it would be useful to compute these equations again at the more disaggregate level of the economic branch. This kind of exercise is still impossible on an international base because of the lack of available data.

Annex E

A NOTE ON INFORMATION THEORY

1. The theory of information* concerns the degree of probability with which a given event may be expected to occur. Let us for example, consider the two following statements:

- the sun will rise tomorrow;
- the number of the winning ticket at the next draw of the National Lottery will be 626,357.

Uncertainty is practically nil as regards the first prediction but very high as regards the second. It may also be said that the first prediction tells us practically nothing; the information it transmits is almost nil. On the other hand, the second prediction affords us a considerable amount of information.

It may therefore be conceived that the probability of the occurrence (p) of a given event may be related to a value $H(p)$ which expresses the degree of uncertainty of the prediction or the quantity of information it transmits. What must the characteristics of $H(p)$ be?

Let us first assume that $p = 1$: the event is certain, the uncertainty is nil and $H(p) = 0$. If the probability decreases the uncertainty and the information increase and in the most extreme case it is reasonable to consider that $H(p) = \infty$ where $p = 0$.

Let us consider two independent events E_1 and E_2 with the respective probability of p_1 and p_2 . Event (E_1 and E_2) has a probability of

* The word information is used here in a technical sense which is more precise than its everyday meaning. The information thus defined is linked to an a priori probability independent of whether or not the event actually occurs. In this context information and uncertainty are two modes of interchangeable interpretation of the theory.

$p_1 p_2$. The combined uncertainties give us:

$$H(p_1 p_2) = H(p_1) + H(p_2)$$

The preceding considerations make it logical to choose a logarithmic function

$$H(p) = \log \frac{1}{p} = -\log p$$

The minus sign is merely chosen to enable $H(p)$ to be always positive. Normally logarithms on any base are suitable; quite often base 2 logarithms are chosen (and they will be used hereinafter) as they make it possible to define a unit for the measurement of the quantity of information which is known as the bit (= binary digit): 1 bit is the quantity of information transmitted by an event with the probability of $1/2$ (this gives us $-\log_2 0.5 = 1$).

Let us now consider a set of n events E_1, E_2, \dots, E_n with respective probabilities of p_1, p_2, \dots, p_n . It is assumed that the events are independent and that one of them and only one of them must happen so that $p_1 + p_2 + \dots + p_n = 1$. The event E_i ($1 \leq i \leq n$) transmits a quantity of information $-\log p_i$. As the event which is due to occur is not known a priori it may reasonably be agreed that information H of the series of E_i is a weighted average of $-\log p_i$, that is to say *

$$H = -p_1 \log p_1 - p_2 \log p_2 - \dots - p_n \log p_n = -\sum_{i=1}^n p_i \log p_i.$$

This quantity is the entropy (or average uncertainty or average information). H is maximum when $p_1 = p_2 = \dots = p_n = 1/n$ and, in this case $H_{\max} = \log n$. The maximum uncertainty does in fact exist when all the events are equiprobable and this maximum also depends on the number of the events: there is less uncertainty in the spin of a coin for example ($n = 2$; $p = 1/2$; $H = 1$ bit) than in a throw of the dice ($n = 6$; $p = 1/6$; $H = \log 6 = 2.585$ bits).

With a given distribution of n possible events we therefore always have $0 \leq H \leq \log n$. The upper limit of H is therefore not fixed, which creates certain difficulties when comparing breakdowns which do not include the same number of classes.

2. It is proposed to use the preceding data first to make a brief study of the comparative value of the various possible groupings of educational levels.

The following table gives the breakdown by educational levels of the Canadian active population at the time of the 1961 census. The average entropy can be very rapidly calculated by simple addition, if the table of $p \log p$ is available; see below.

CLASSES	p_i	$p_i \log p_i$
1. Primary: under 5 years	0.062	0.2487
2. Primary: 5 and over	0.343	0.5294
3. Secondary: 1 or 2 years	0.225	0.4842
4. Secondary: 3 years	0.099	0.3303
5. Secondary: 4 or 5 years	0.183	0.4483
6. University: several years	0.045	0.2013
7. University: degree	0.043	0.1951
Total	1.000	2.4373

It will be noted that, in this breakdown, the maximum possible entropy is equal to $\log 7 = 2.807$. The breakdown may be characterized by the coefficient of relative entropy $R = H/H_{\max} = 2.437/2.807 = 87\%$ (or by its complement to 1: $C = 1 - R$ designated by redundancy).

Let us now suppose that the 7 classes are combined in 4 groups only, for example. This may be done in several ways. One possibility is the usual group of A, B, C, D*. The two others have been selected more or less arbitrarily, as an example.

The entropy for each breakdown is :

- First case: 1.177
- Second case: 1.536
- Third case: 1.736

* A is "University Degree", that is (7) in the preceding example;
 B is "some years of University" or (6);
 C is "complete secondary schooling, or (5);
 D is "Less than complete secondary schooling", or (1+2+3+4).

	FIRST GROUPING		SECOND GROUPING	P	THIRD GROUPING	P
D	(1-2-3-4)	0.729	(1)	0.062	(1 and 2)	0.405
C	(5)	0.153	(2 and 3)	0.568	(3 and 4)	0.324
B	(6)	0.045	(4 and 5)	0.282	(5 and 6)	0.228
A	(7)	0.043	(6 and 7)	0.088	(7)	0.043
		1.000		1.000		1.000

It will be noted that in all cases the average information is slighter than that for the original breakdown. It is in fact shown that more aggregate breakdowns generally diminish entropy (intuitively this is fairly obvious). In the most favourable case, combination makes it equal to what it was previously. There is consequently always a loss of information although this greatly differs from one case to another.

However, an important detail must be added. The theory of information is mainly concerned with variables which have not been placed in ascending or descending order. If it is used for an ordered variable, as is the case here, the group which is optimum from the standpoint of the theory may be absurd as far as the continuum of the variable is concerned for example the grouping 2; 3; 5 and 6; 1, 4 and 7 has an average entropy of 1.968 which is higher than the 3 previous groups.

Here is now a brief comparative analysis of the occupational structure of a number of countries. Only the ISCO major groups 0 to 9 have been retained. In Table E.1, the GNP (in dollars) for the year 1960 is shown (see the Tableaux de l'Economie Française, INSEE, 1963, p. 10). For all countries the maximum entropy of the breakdown is equal to $\log 9 = 3.170$. The relative entropy is therefore 90% for Canada and 64% for Greece.

A first sight the table suggests the following comments:

a) Owing to the way entropies are computed there was a possible danger that countries with very different structures might have similar entropies. In actual fact, this is not generally the case although the sample is much too limited for definite conclusions to be drawn.

TABLE E.1

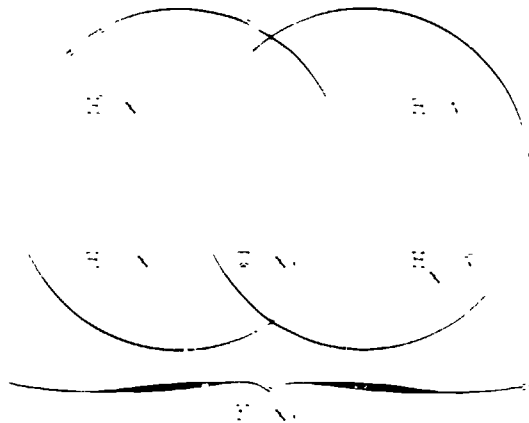
	CANADA 1961	USA 1960	NORWAY 1960	SWEDEN 1960	NETHER- LANDS 1960	FRANCE 1962	UNITED KINGDOM 1961	JAPAN 1960	PORTUGAL 1960	GREECE 1961
0	102	109	81	116	99	101	88	48	28	37
1	56	67	32	21	33	20	27	23	13	8
2	135	138	71	85	133	84	133	104	46	41
3	98	98	76	96	89	94	98	106	64	64
4	123	68	196	136	93	213	41	326	438	565
5	11	5	5	5	10	12	23	8	6	5
6	63	60	108	73	58	40	66	33	31	31
7/8	303	327	340	357	388	360	417	286	281	198
9	110	127	92	110	96	75	107	65	93	51
Total	1,001	999	1,001	999	999	999	1,000	999	1,000	1,000
Entropy	2,854	2,783	2,697	2,600	2,668	2,616	2,609	2,536	2,238	2,015
GNP/capita	2,021	2,796	1,237	1,632	978	1,276	1,347	417	261	384
Ranking Entropy	1	2	3	4	5	6	7	8	9	10
Ranking GNP	2	1	6	3	7	5	4	8	10	9

c. The rank correlation spearman between the entropy and the GNP per capita is very significant (the coefficient is significant to 1% from 1% to 1% here it is equal to 0.850)

d. The percentages of group 4 and group 7-8 show a rather remarkable trend. For the first 5 countries the percentage of 7-8 increases regularly (subsequently, France and Great Britain present an anomaly: the first because of the high percentage of the group 7-8 for these two countries (the practically identical entropy does not adequately reflect their structural differences). The last three countries (contrary to the others) all have a bigger group 4 than group 7-8 (contrary to the first five countries), the percentage of 7-8 diminishes instead of increasing.

4. The result of paragraph 3 is that the entropy here probably reflects complex phenomena. If this is expressed on a graph (the x-axis representing the entropy and the y-axis the GNP) the result is a scatter pattern of 17 points (approximately) parabolic with a minimum roughly representing Ethiopia.

5. Up to now the case of a single variable has been dealt with, an additional variable (x) being the first variable will now be introduced. Generally speaking it is possible to represent the interaction of these variables by the following symbols:



The circles $H(x)$ and $H(y)$ represent each variable. If the two variables are linked, they have the sector in common $T(x,y) = H(x,y)$ and $H(x) + H(y)$ representing the special attribute of each variable not represented

in $T(xy)$, $H(xy)$ represents the total information existing in the system*; this is visibly

$$T(xy) = H(x) + H(y) - H(xy).$$

As the variables x and y are still distributed by classes**, we have Table E.2.

TABLE E.2

	1	2	...	i	...	x	
1	p_{11}	p_{21}	...	p_{i1}	...	p_{x1}	$p_{.1}$
2	p_{12}	p_{22}	...	p_{i2}	...	p_{x2}	$p_{.2}$
...
j	p_{1j}	p_{2j}	...	p_{ij}	...	p_{xj}	$p_{.j}$
...
y	p_{1y}	p_{2y}	...	p_{iy}	...	p_{xy}	$p_{.y}$
	$p_{1.}$	$p_{2.}$...	$p_{i.}$...	$p_{x.}$	1

* The theory of information was initially developed by telecommunication specialists. The term message can therefore be used. $H(x)$ is emitted by source x through a communication channel. It is picked up by a receiver y . If transmission is perfect $H(x) = H(y) = T(xy)$. If there are "noise", part of the emitted information $H(x)$ is lost (equivocation). Moreover, in the message $H(y)$ picked up, the receiver includes its own "noise" interpretation $H(x|y)$ (ambiguity). $T(xy)$ represents the part of the message emitted which is properly received.

** It is possible to make an analysis with 3, 4 ... variables, by generalizing what follows. This point will be left aside.

The information transmitted $T(xy)$ is then calculated as follows*:

$$H(x) = - \sum p_i \log p_i$$

$$H(y) = - \sum p_j \log p_j$$

$$H(xy) = - \sum p_{ij} \log p_{ij}$$

From this $T(xy)$ can be immediately calculated. All this can again be done by simple addition if a table is available.

For the same reasons as outlined above, the $T(xy)$ values for tables of different dimensions are not directly comparable. It is possible to use the coefficient of constraint:

$$D(y|x) = T(xy) / H(x)$$

which is the percentage of information transmitted. The theory of information does not however imply any causal relationship: x and y have a symmetrical role. There is consequently a second coefficient:

$$D(xy) = T(xy) / H(y)$$

which is not generally equal to the first for reasons which are intuitively clear from the diagram representing the intersecting circles.

6. If x is the educational level and y the occupational category, Table E. 3 shows the active population of the USA in 1960**; group X and apprentices have been eliminated.

The results are as follows:

$$H(a) = 1.740$$

$$H(y) = 2.783$$

$$H(xy) = 4.243$$

* It is possible to work directly on absolute figures instead of frequencies, but one is limited by the dimension of the available tables.

- **
- x1 : Less than four years' secondary schooling;
 - x2 : Four years' secondary schooling;
 - x3 : One to three years' university;
 - x4 : Four years' university;
 - x5 : Five years' university or more.

The marginal frequencies are not necessarily equal to the sum of the internal frequencies as the figures have been rounded off.

TABLE E. 3

$\begin{matrix} x \\ y \end{matrix}$	x_1	x_2	x_3	x_4	x_5	TOTAL	$H(y)$
0	9	18	23	28	30	109	0.3485
1	21	21	13	9	4	67	0.2612
2	38	70	23	5	2	138	0.3943
3	47	30	14	6	2	98	0.3284
4	52	12	3	1	-	68	0.2637
5	4	1	-	-	-	5	0.0382
6	39	16	3	1	-	60	0.2435
7/8	230	79	15	3	1	327	0.5273
9	91	26	7	1	1	127	0.3780
Total	532	274	101	54	39	1,000	2.7831

$$T(xy) = 1.740 + 2.783 - 4.243 = 0.280$$

$$D(yx) = 0.280/1.740 = 16.1\%$$

$$D(xy) = 0.280/2.783 = 10.1\%$$

The value of $T(xy)$ is not very high; a large part of the information is lost. One possible reason is that the educational level x is too aggregated.

7. These few examples seem to show the utility of the theory of information with respect to the optimal level of aggregation in cross-classifications.

TABLE OI

$p(i)$	000	001	002	003	004	005	006	007	008	009
00	0000	0099	0179	0251	0318	0382	0442	0501	0557	0611
01	0664	0715	0765	0814	0862	0908	0954	0999	1043	1086
02	1128	1170	1211	1251	1291	1330	1368	1406	1444	1481
03	1517	1553	1589	1624	1658	1692	1726	1759	1792	1825
04	1857	1889	1920	1951	1982	2013	2043	2073	2102	2132
05	2160	2189	2217	2246	2273	2301	2328	2355	2382	2409
06	2435	2461	2487	2512	2538	2563	2588	2612	2637	2661
07	2685	2709	2733	2756	2779	2802	2825	2848	2870	2892
08	2915	2937	2958	2980	3001	3022	3043	3064	3085	3106
09	3126	3146	3166	3186	3206	3226	3245	3264	3284	3303
10	3321	3340	3359	3377	3395	3414	3432	3450	3467	3485
11	3502	3520	3537	3554	3571	3588	3605	3621	3638	3654
12	3670	3686	3702	3718	3734	3749	3765	3780	3796	3811
13	3826	3841	3856	3870	3885	3900	3914	3928	3943	3957
14	3971	3984	3998	4012	4026	4039	4052	4066	4079	4092
15	4105	4118	4131	4143	4156	4168	4181	4193	4205	4218
16	4230	4242	4254	4265	4277	4289	4300	4312	4323	4334
17	4345	4356	4367	4378	4389	4400	4411	4421	4432	4442
18	4453	4463	4473	4483	4493	4503	4513	4523	4533	4542
19	4552	4561	4571	4580	4589	4598	4608	4617	4626	4635
20	4643	4652	4661	4669	4678	4686	4695	4703	4711	4720
21	4728	4736	4744	4752	4760	4767	4775	4783	4790	4798
22	4805	4813	4820	4827	4834	4842	4849	4856	4862	4869
23	4876	4883	4890	4896	4903	4909	4916	4922	4928	4935
24	4941	4947	4953	4959	4965	4971	4977	4983	4988	4994
25	5000	5005	5011	5016	5021	5027	5032	5037	5042	5047
26	5052	5057	5062	5067	5072	5077	5081	5086	5091	5095
27	5100	5104	5109	5113	5117	5121	5126	5130	5134	5138
28	5142	5146	5149	5153	5157	5161	5164	5168	5172	5175
29	5179	5182	5185	5189	5192	5195	5198	5201	5204	5207
30	5210	5213	5216	5219	5222	5225	5227	5230	5232	5235
31	5237	5240	5242	5245	5247	5249	5251	5254	5256	5258
32	5260	5262	5264	5266	5268	5269	5271	5273	5275	5276
33	5278	5279	5281	5282	5284	5285	5286	5288	5289	5290
34	5291	5292	5293	5294	5295	5296	5297	5298	5299	5300
35	5301	5301	5302	5302	5303	5304	5304	5305	5305	5305
36	5306	5306	5306	5306	5307	5307	5307	5307	5307	5307
37	5307	5307	5307	5306	5306	5306	5306	5305	5305	5304
38	5304	5304	5303	5302	5302	5301	5301	5300	5299	5298
39	5297	5297	5296	5295	5294	5293	5292	5291	5290	5288
40	5287	5286	5285	5283	5282	5281	5279	5278	5276	5275
41	5273	5272	5270	5268	5267	5265	5263	5262	5260	5258
42	5256	5254	5252	5250	5248	5246	5244	5242	5240	5237
43	5235	5233	5231	5228	5226	5223	5221	5219	5216	5214
44	5211	5208	5206	5203	5200	5198	5195	5192	5189	5186
45	5184	5181	5178	5175	5172	5169	5165	5162	5159	5156
46	5153	5150	5146	5143	5140	5136	5133	5130	5126	5123
47	5119	5116	5112	5108	5105	5101	5097	5094	5090	5086
48	5082	5078	5074	5071	5067	5063	5059	5055	5051	5046
49	5042	5038	5034	5030	5026	5021	5017	5013	5008	5004

From *Information Transmission* by Elwyn Edwards, Chapman and Hall, London, 1964

$$-p(i)\log_2 p(i)$$

$p(i)$	000	001	002	003	004	005	006	007	008	009
50	5000	4995	4991	4986	4982	4977	4972	4684	4963	4948
51	4954	4949	4944	4940	4935	4930	4925	4920	4915	4910
52	4905	4900	4895	4890	4885	4880	4875	4870	4864	4859
53	4854	4849	4843	4838	4833	4827	4822	4816	4811	4805
54	4800	4794	4789	4783	4778	4772	4766	4761	4755	4749
55	4743	4737	4732	4726	4720	4714	4708	4702	4696	4690
56	4684	4678	4672	4666	4659	4653	4647	4641	4635	4628
57	4622	4616	4609	4603	4597	4590	4584	4577	4571	4564
58	4558	4551	4544	4538	4532	4524	4518	4511	4504	4497
59	4491	4484	4477	4470	4463	4456	4449	4442	4435	4428
60	4421	4414	4407	4400	4393	4386	4379	4371	4364	4357
61	4350	4342	4335	4328	4320	4313	4305	4298	4290	4283
62	4275	4268	4260	4253	4245	4237	4230	4222	4214	4207
63	4199	4191	4183	4176	4168	4160	4152	4144	4136	4128
64	4120	4112	4104	4096	4088	4080	4072	4064	4056	4047
65	4039	4031	4023	4014	4006	3998	3990	3981	3973	3964
66	3956	3948	3939	3931	3922	3914	3905	3896	3888	3879
67	3871	3862	3853	3844	3836	3827	3818	3809	3801	3792
68	3783	3774	3765	3756	3747	3738	3729	3720	3711	3702
69	3693	3684	3675	3666	3657	3648	3638	3629	3620	3611
70	3602	3592	3583	3574	3564	3555	3545	3536	3527	3517
71	3508	3498	3489	3479	3470	3460	3450	3441	3431	3421
72	3412	3402	3392	3383	3373	3363	3353	3344	3334	3324
73	3314	3304	3294	3284	3274	3264	3254	3244	3234	3224
74	3214	3204	3194	3184	3174	3163	3153	3143	3133	3123
75	3112	3102	3092	3081	3071	3061	3050	3040	3029	3019
76	3009	2998	2988	2977	2967	2956	2945	2935	2924	2914
77	2903	2892	2882	2871	2860	2849	2839	2828	2817	2806
78	2795	2785	2774	2763	2752	2741	2730	2719	2708	2697
79	2686	2675	2664	2653	2642	2631	2620	2608	2597	2586
80	2575	2564	2552	2541	2530	2519	2507	2496	2485	2473
81	2462	2451	2439	2428	2416	2405	2393	2382	2370	2359
82	2347	2336	2324	2312	2301	2289	2277	2266	2254	2242
83	2231	2219	2207	2195	2184	2172	2160	2148	2136	2124
84	2112	2101	2089	2077	2065	2053	2041	2029	2017	2005
85	1992	1980	1968	1956	1944	1932	1920	1907	1895	1883
86	1871	1859	1846	1834	1822	1809	1797	1785	1772	1760
87	1747	1735	1723	1710	1698	1685	1673	1660	1648	1635
88	1622	1610	1597	1585	1572	1559	1547	1534	1521	1509
89	1496	1483	1470	1457	1445	1432	1419	1406	1393	1380
90	1368	1355	1342	1329	1316	1303	1290	1277	1264	1251
91	1238	1225	1211	1198	1185	1172	1159	1146	1133	1119
92	1106	1093	1080	1066	1053	1040	1027	1013	1000	0987
93	0973	0960	0946	0933	0920	0906	0893	0879	0866	0852
94	0839	0825	0812	0798	0784	0771	0757	0743	0730	0716
95	0703	0689	0675	0661	0648	0634	0620	0606	0593	0579
96	0565	0551	0537	0523	0509	0496	0482	0468	0454	0440
97	0426	0412	0398	0384	0370	0356	0342	0327	0313	0299
98	0285	0271	0257	0243	0228	0214	0200	0186	0172	0157
99	0143	0129	0114	0100	0086	0071	0057	0043	0028	0014

Annex F

BASIC DATA USED FOR THE OCCUPATIONAL ANALYSIS

Economic sectors are indicated by subscript i and occupational categories by subscript j.

In addition, each occupational category j is represented by means of its ISCO code *

Major Group 0	: Professional, Technical and related workers	0
Major Group 1	: Administrative, Executive and Managerial workers	1
Major Group 2	: Clerical workers	2
Major Group 3	: Sales workers	3
Minor Group 0-0	: Architects, Engineers and Surveyors ..	0-0
Minor Group 0-1	: Chemists, Physicists, Geologists and related	0-1
Minor Group 0-2	: Biologists, Veterinarians, Agronomists	0-2
Minor Group 0-X	: Draughtsmen and Science and Engineering Technicians	0-X
Minor Groups		
0-0/0-1/0-2/0-X:	Scientific and Technical Personnel ...	STP
Minor Group 1-1	: Directors, Managers and Working Proprietors	1-1
Unit Group 0-0-2:	Engineers	0-02

In the nine Tables (one for the economy as a whole and eight for the main economic sectors) which are to be included in this Annex, the

occupational structure (in %) will be found in the left part and the economic indicators in the right part.

The data on the occupational structure are drawn from Statistics of the Occupational and Educational Structure of the Labour Force in 53 Countries, OECD, Paris, 1969.

Table 1. WHOLE ECONOMY OCCUPATIONAL STRUCTURE (L_j/L) AND ECONOMIC INDICATORS (m)[illegible]

- 1) output per worker in '5 dollars
- 2) authentic non monetary index (≤ 100)
- 3) cross capital formation per worker in '5 dollars
- 4) growth transformation rate (ratio in %)

Table E.2. AGRICULTURE, OCCUPATIONAL STRUCTURE, AND ECONOMIC INDICATORS (B)

Country	1970										1975			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Bulgaria	0.12	0.17	0.14	0.15	0.11	0.11	0.07	0.23	3,190	1,495	241	72		
Canada	0.12	0.17	0.14	0.15	0.11	0.11	0.07	0.23	2,480	4,525	260	50		
Denmark	0.23		0.23	0.18	0.20	0.12	0.22	0.23	2,300	1,630	637	120		
France	0.18	0.08	0.28	0.18	0.04	0.12	0.06	0.11	1,385		290	61		
F.R.G.	0.31	0.04	0.34	0.18	0.04	0.24	0.28	0.28	1,440		491	140		
Great Britain	0.37	0.19	0.36	0.32	0.10	0.18	0.25	0.27	2,650	2,370	772	350		
Ireland	0.18				0.11	0.03	0.14	0.14	490	140	70	7		
Israel	0.10			0.07					1,090	750	142	59		
Japan	0.04	0.06	0.10	0.30					350		87	1		
Netherlands	0.15	0.22	0.37	0.42					4,410	1,280	655	54		
Norway	0.13	0.08	0.14	0.17	0.12		0.12	0.12	1,600	2,625	334	91		
Poland	0.09	0.17	0.18	0.08	0.17	0.01	0.08	0.08	400	165	87	3		
Sweden	0.16	0.10	0.10	0.32	0.10		0.10	0.11	2,220	1,400	465	200		
Switzerland	0.14				0.10		0.01	0.03	220		3	4		
United States	0.17	0.28	0.15	0.28	0.17	0.13	0.20	0.24	2,710			50		
United States (excl.)	0.19	0.52	0.25	0.66	0.34	0.12	0.46	0.50	4,790	5,520	815	612		
Argentina	0.15	0.17	0.28	0.29			0.02	0.06	1,330		8	28		
Brazil	0.10	0.12	0.32	0.48			0.16	0.19	680		67	35		
Chile	0.18	0.13	0.11	0.40					790					
Ecuador	0.17								380		4	2		
El Salvador	0.17		0.10	0.12	0.04	0.02	0.06	0.07	340	50	54	3		
Guatemala	0.17			0.20			0.05	0.06	360					
Honduras	0.14	0.12	0.18	0.11	0.12		0.12	0.13	1,210	1,160	180	46		
India	0.12	0.08	0.50	0.26		0.39	0.08							
Indonesia	0.16	0.04	0.20	0.30					440		13			
Italy	0.17	0.11	0.04	0.12	0.12	0.09	0.10	0.17	730		36	12		
Israel	0.17	0.11	0.30	0.40	0.08		0.08	0.18	1,910	5,545	412	40		
Japan	0.17	0.11	0.50	0.10	0.10	0.02	0.02	0.02	310	410	25			
Korea	0.12	0.14	0.18	0.13					280	50				
Mexico	0.17			0.12					280		36	9		
Philippines	0.17													
Peru	0.11	0.17	0.29				0.03	0.08	620					
Peru	0.11	0.15	0.20						320		44	2		
Portugal	0.11	0.04	0.09	0.07			0.02		340		32	1		
Spain	0.14				0.11	0.21	0.32	0.33	630	500				
South Africa	0.11			0.18			0.02	0.02	1,460					
Romania	0.17	0.19	0.18	0.20	0.17	0.33	0.40	0.41						
South Africa	0.11	0.11	0.17	0.12					130					
South Africa	0.11	0.11	0.17	0.12					470		1	59		
Spain	0.14			0.18					390					
Sweden	0.16	0.17	0.10	0.33					1,020					
Switzerland	0.14				0.10	0.10	0.10	0.10	820	850				
Switzerland	0.14				0.10	0.10	0.10	0.10	820	850				

Table F.4. MANUFACTURING OCCUPATIONAL STRUCTURE (L1/L1 - % AND ECONOMIC INDICATORS (a))

COUNTRY	L1/L1 (%)										S ₁		
	0	1	0-1	?	3	0-1 2-3	0-0	0-1	0-X	0-0 X	STP	0-02	X/L1 (1)
													X/L1 (2)
													L1/L1 (3)
Belgium	3.02	2.87	5.89	9.51	1.21	12.81	0.80	0.07	1.76	2.56	2.64	0.78	2.891
Canada	5.19	6.73	11.92	12.22	3.94	28.08	1.30	0.01	0.63	2.13	2.16	1.30	5.837
Denmark	2.63	1.81	4.44	6.45	3.17	14.06	1.30	0.01	0.63	2.13	2.16	1.30	2.919
France	7.26	2.47	9.73	5.66	3.17	19.34	1.26	0.26	3.35	4.61	4.87	1.23	3.963
F.R. Germany	5.14	2.16	7.30	10.44	2.40	20.14	3.36	0.13	1.12	4.48	4.62	1.47	3.370
Great Britain	5.44	3.60	2.94	10.99	2.11	22.43	1.49	0.22	2.85	4.15	4.49	1.47	2.637
Greece	1.55	1.22	2.77	3.84	8.50	15.11	0.11	0.07	0.59	0.70	0.93	0.11	1.178
Ireland	1.67	3.02	4.69	6.25	2.86	15.80	0.06	0.06	0.06	0.06	0.06	0.06	2.493
Japan	1.78	4.03	5.91	10.94	3.05	19.80	0.06	0.06	0.06	0.06	0.06	0.06	1.017
Netherlands	4.35	3.62	7.97	10.84	1.96	20.77	0.06	0.06	0.06	0.06	0.06	0.06	2.597
Norway	3.95	4.53	8.48	5.74	0.86	15.08	0.96	0.08	2.05	3.01	3.11	0.85	3.048
Portugal	0.79	2.50	3.29	3.67	0.69	7.65	0.19	0.02	0.44	0.63	0.65	0.19	1.005
Sweden	5.22	2.60	7.82	8.44	4.01	20.27	0.06	0.06	0.06	0.06	0.06	0.06	3.387
Turkey	1.21	4.77	9.57	10.75	2.97	23.29	1.83	0.13	0.85	2.48	2.88	1.62	827
United States 1950	4.80	2.08	12.52	11.63	3.77	27.92	2.71	0.36	1.90	4.61	4.99	2.70	6.566
United States 1960	7.44	3.26	4.82	6.00	1.45	12.07	0.96	0.30	0.57	0.90	0.90	2.70	7.227
Argentina	1.36	2.84	4.20	5.51	0.48	10.19	0.96	0.16	0.02	0.96	1.16	1.803	5.935
Chile	1.21	2.07	3.28	3.23	2.94	9.65	0.06	0.06	0.06	0.06	0.06	0.06	1.777
Costa Rica	1.17	0.48	0.65	1.20	0.22	7.02	0.36	0.06	0.32	0.68	0.76	0.35	594
Ecuador	1.24	1.22	2.46	3.93	0.73	7.12	0.06	0.06	0.32	0.68	0.76	0.35	945
El Salvador	0.85	0.42	1.27	0.99	0.13	2.39	0.06	0.06	0.32	0.68	0.76	0.35	425
Finland	6.49	2.32	8.81	6.02	1.64	16.47	0.06	0.03	0.02	0.08	0.08	0.06	2.691
Ghana	0.16	0.21	0.37	0.97	0.71	2.05	0.06	0.06	0.02	0.08	0.08	0.06	1.079
Honduras	0.42	1.10	1.52	2.21	1.52	5.25	0.06	0.06	0.02	0.08	0.08	0.06	7.8
Hong-Kong	1.08	3.11	4.19	3.66	13.18	21.03	0.05	0.06	0.40	0.45	0.52	0.52	39.7
Hungary	7.15	0.84	7.99	7.16	0.19	15.34	0.69	0.30	0.40	0.45	0.52	0.52	1.002
Israel	3.20	5.95	9.15	7.01	2.06	18.22	0.06	0.06	0.40	0.45	0.52	0.52	4.030
Jamaica	0.41	3.44	3.85	2.11	0.28	6.24	0.02	0.01	0.02	0.04	0.05	0.05	922
Korea (S)	0.93	6.57	7.50	3.63	1.05	12.18	0.02	0.01	0.02	0.04	0.05	0.05	1.398
Mexico	3.02	1.70	4.72	6.99	3.37	15.08	0.06	0.06	0.02	0.04	0.05	0.05	680
Pakistan	0.26	0.98	1.24	1.76	0.16	3.16	0.06	0.06	0.02	0.04	0.05	0.05	1.365
Panama	3.09	3.23	6.32	3.99	1.85	12.16	0.06	0.06	0.02	0.04	0.05	0.05	285
Peru	1.19	2.15	3.34	2.98	1.18	7.50	0.06	0.06	0.02	0.04	0.05	0.05	2.216
Philippines	0.94	0.99	1.93	2.90	0.70	5.53	0.26	0.51	0.11	0.37	0.50	0.50	1.045
Poland	2.14	3.94	6.08	5.42	2.74	14.24	0.06	0.06	0.11	0.37	0.50	0.50	1.075
Puerto Rico	0.27	0.22	0.49	0.91	0.31	1.71	0.06	0.06	0.11	0.37	0.50	0.50	3.822
Rumania	2.10	2.75	4.85	5.23	2.30	12.38	0.06	0.06	0.11	0.37	0.50	0.50	17.1
Sierra Leone	0.21	0.99	1.20	2.14	0.54	3.88	0.06	0.06	0.11	0.37	0.50	0.50	4.5
South Africa	1.61	1.94	2.13	7.53	3.98	13.64	0.06	0.06	0.11	0.37	0.50	0.50	2.925
Syria	0.21	0.99	1.20	2.14	0.54	3.88	0.06	0.06	0.11	0.37	0.50	0.50	14.2
Uruguay	0.21	0.99	1.20	2.14	0.54	3.88	0.06	0.06	0.11	0.37	0.50	0.50	12.0
USSR	0.21	0.99	1.20	2.14	0.54	3.88	0.06	0.06	0.11	0.37	0.50	0.50	21.2
Zambia	0.90	2.00	2.90	5.41	1.84	10.15	0.14	0.02	0.02	0.32	0.34	0.14	1.256
													11.5

(1) Sector Output per worker in U.S. dollars

(2) Gross Capital Formation per worker in U.S. dollars

(3) Sectoral structure of employment (in %)

Table F.5 CONSTRUCTION OCCUPATIONAL STRUCTURE (L_{ij}/L_i) AND ECONOMIC INDICATORS (a)

COUNTRY	L _{ij} /L _i (%)								a _i		
	0	1	0-1	2	0-0	0-X	STP	0-02	X ₀ /L ₁ (1)	D/L ₁ (2)	G/P (3)
Belgium	1.01	3.88	4.89	2.31	0.43	0.53	0.96	0.30	2,680	26	487
Canada	2.28	8.31	10.59	3.97	-	-	-	-	3,739	25	297
Denmark	1.19	0.08	1.27	1.53	1.11	0.07	1.18	0.91	2,920	18	314
France	7.03	0.89	7.99	2.77	1.69	4.08	5.79	0.76	3,211	26	319
F.R. Germany	2.42	1.10	3.52	3.57	2.29	0.19	5.92	2.20	2,521	27	470
Great Britain	3.18	3.79	6.97	5.24	2.02	0.81	2.84	0.95	2,560	18	271
Greece	9.22	0.08	9.30	2.55	2.63	6.56	9.19	2.03	1,098	29	206
Ireland	1.91	0.53	2.44	2.51	-	-	-	-	1,610	12	248
Japan	2.12	2.17	4.29	6.92	-	-	-	-	7,080	15	242
Netherlands	1.46	5.66	7.12	3.02	-	-	-	-	1,733	25	164
Norway	1.92	1.32	3.24	1.76	0.82	1.07	1.89	0.78	2,199	21	320
Portugal	0.85	1.40	2.25	1.03	0.41	0.41	0.82	0.33	589	12	138
Sweden	5.21	1.07	6.23	3.01	-	-	5.10	-	3,840	23	401
Tu. key	2.84	-	-	-	-	-	2.70	-	1,077	-	73
United States 1950	3.77	8.32	12.09	3.13	2.55	0.38	2.90	2.26	5,415	-	-
United States 1960	4.65	9.78	14.43	4.31	2.80	0.58	3.40	2.41	5,998	33	313
Argentina	2.64	1.81	4.45	1.92	2.42	-	2.48	-	1,056	-	132
Chile	2.72	2.29	5.01	2.18	2.67	0.01	2.70	-	843	27	119
Costa Rica	2.01	1.44	3.45	4.85	-	-	-	-	768	13	-
Ecuador	3.47	1.04	4.51	0.75	-	-	-	-	645	-	36
Egypt	1.44	4.22	5.96	1.53	1.24	0.33	1.57	0.69	1,217	-	82
El Salvador	1.53	0.12	1.75	1.53	1.55	-	-	-	545	2	33
Finland	7.32	0.73	8.05	2.97	-	-	7.30	6.90	2,355	17	278
Ghana	2.02	3.27	5.29	4.63	0.78	0.97	1.75	-	906	-	-
Honduras	2.69	1.04	3.73	3.00	-	-	-	-	954	-	6
Hong-Kong	5.38	2.51	7.89	3.74	2.49	2.46	4.99	-	-	-	58
Hungary	7.47	0.53	8.00	5.87	2.23	3.78	6.08	1.32	2,262	19	157
Israel	3.60	7.03	10.63	5.84	-	-	3.33	-	2,902	44	403
Jamaica	0.32	2.59	2.91	1.08	0.09	0.17	0.26	-	1,448	-	118
Korea (S)	2.00	2.55	4.55	3.55	-	-	-	-	995	12	15
Mexico	4.47	1.90	6.37	2.44	-	-	-	-	738	-	88
Pakistan	1.40	3.42	4.82	1.02	-	-	-	-	577	-	12
Panama	4.15	5.96	10.11	2.07	-	-	3.42	1.43	2,448	15	97
Peru	2.29	2.09	4.38	1.14	-	-	-	-	629	-	54
Philippines	1.53	1.00	2.59	0.93	1.17	0.11	1.46	-	960	-	30
Poland	12.27	-	-	-	3.96	7.29	11.52	3.36	2,590	18	182
Puerto Rico	4.27	4.18	8.45	3.55	-	-	-	1.77	2,446	31	397
Rumania	11.02	3.36	14.38	5.40	1.86	5.11	6.99	1.84	-	29	120
Sierra Leone	1.43	1.94	3.37	3.96	-	-	-	-	692	-	-
South Africa	1.37	2.26	3.63	1.49	-	-	-	-	-	6	162
Syria	0.22	1.08	1.30	0.33	-	-	0.15	-	633	16	107
Uruguay	0.61	3.27	3.88	1.64	-	-	-	-	1,149	-	138
USSR	4.75	1.28	6.03	2.97	2.41	1.70	4.16	-	2,096	39	184
Zambia	0.72	0.60	1.32	1.63	0.49	0.16	0.65	0.31	642	-	34

(1) Sector Output per worker in U.S. dollars.

(2) Output of dwellings per 100 workers

(3) Cement Production per capital (in kg)

Table F 6. ELECTRICITY, GAS AND WATER OCCUPATIONAL STRUCTURE (L/LI/LI) AND ECONOMIC INDICATORS (10)

COUNTRY	0	1	0 + 1	2	3	0 + 1 + 2 + 3	0 - 6	0 - 1	0 - X	STP	0 - 92	XI/LI (1)	2 I/LI (2)	Ep/LI (3)	E/P (4)
Belgium	0.76	3.22	9.98	25.68	0.32	35.98	2.80	0.06	3.51	6.37	2.67	7.231	23.020	746	3.853
Canada	9.92	5.81	15.73	20.38	1.55	37.66	-	-	-	-	-	15.488	89.768	1,204	5.606
Denmark	6.35	2.56	8.93	10.44	0.34	19.71	3.70	-	-	6.34	3.39	8.171	19.270	59	2.388
France	19.92	2.80	22.72	20.49	1.31	44.52	5.73	0.50	8.28	14.51	6.54	7.260	39.840	426	2.368
F.R. Germany	9.30	2.21	11.51	22.36	0.45	34.32	7.54	0.05	1.46	9.05	7.42	8.261	22.181	929	3.268
Great Britain	6.09	3.41	9.50	18.24	3.36	31.10	3.35	0.38	1.86	5.59	3.25	4.917	18.715	504	4.594
Greece	9.24	0.49	9.73	19.03	0.32	29.08	3.51	0.05	4.81	8.42	3.40	2.526	10.731	43	4.00
Ireland	6.26	0.64	6.90	17.25	0.47	24.62	-	-	-	-	-	4.687	16.627	228	1.338
Japan	5.36	2.70	8.06	41.34	0.30	49.70	-	-	-	-	-	6.400	-	360	985
Netherlands	7.38	1.47	8.85	22.66	0.35	31.86	-	-	-	-	-	5.075	-	285	2.675
Norway	9.12	4.90	14.02	13.05	0.02	27.09	3.28	0.01	5.55	8.84	3.21	9.440	51.584	334	2.477
Portugal	6.35	1.10	7.45	23.32	1.05	31.82	2.60	0.03	2.96	5.59	2.31	3.809	15.857	63	3.355
Sweden	11.89	2.42	14.31	10.15	0.42	24.88	-	0.20	-	11.47	-	9.948	45.520	119	2.995
Turkey	7.54	5.16	12.70	18.84	0.14	31.68	4.09	0.19	0.90	-	3.88	6.037	-	-	-
United States 1950	7.84	5.49	13.33	19.13	1.07	33.53	3.69	0.21	1.60	5.50	3.44	12.700	40.132	1,525	7.834
Argentina	2.82	2.22	5.04	20.04	0.45	25.53	-	-	-	2.22	-	1.699	-	176	1.033
Chile	6.69	1.33	8.02	19.16	0.13	27.31	6.28	0.10	0.06	6.45	-	1.643	-	211	787
Costa Rica	4.17	1.38	5.55	17.01	0.21	22.77	-	-	-	-	-	-	-	16	228
Ecuador	2.12	0.35	2.47	11.80	0.04	14.31	-	-	-	-	-	2.417	-	11	157
Egypt	3.35	0.92	4.27	9.24	0.02	13.53	1.40	0.01	1.11	2.53	1.20	1.092	-	120	235
El Salvador	3.50	0.12	3.62	12.41	0.12	16.15	-	-	-	1.22	-	2.913	-	18	119
Finland	12.19	1.85	14.04	9.81	0.27	24.12	-	0.08	-	11.99	-	6.787	33.670	35	1,404
Ghana	4.62	0.63	5.25	7.46	0.28	12.99	1.21	-	0.36	1.57	-	8.48	-	47	87
Honduras	2.70	3.60	6.30	16.31	0.01	22.61	-	-	-	-	-	2.888	-	41	142
Hong-Kong	3.71	1.81	5.52	6.15	3.07	14.74	1.07	0.03	1.57	2.69	-	-	-	86	509
Hungary	7.93	0.95	8.88	9.01	0.15	18.04	1.27	0.15	5.66	7.15	1.16	2.000	-	261	2,180
Israel	6.35	5.00	12.17	19.06	0.46	31.69	-	0.04	-	5.50	-	3.498	-	13	1,122
Jamaica	1.23	3.86	5.09	9.36	0.03	14.48	0.41	0.03	0.44	0.88	-	2.055	8.500	4	549
Japan (S)	1.82	2.96	4.78	30.03	14.83	49.64	-	-	-	-	-	1.626	9.974	352	215
Mexico	8.58	1.93	10.51	31.07	2.83	44.41	-	-	-	-	-	3.589	-	787	817
Pakistan	1.40	3.41	4.82	1.02	0.02	5.86	-	-	-	-	-	5.63	-	72	56
Panama	5.73	5.00	10.73	17.47	0.01	28.20	-	-	-	2.80	-	5.600	-	20	478
Peru	3.00	5.41	8.47	13.75	0.65	22.87	-	-	-	-	-	1.021	-	581	315
Philippines	6.03	5.13	9.16	30.62	0.55	40.33	3.29	0.16	0.70	4.15	-	8.421	-	24	149
Poland	6.43	2.73	9.16	18.03	0.60	27.79	-	-	-	-	-	4.881	-	3	1,210
Puerto Rico	4.85	0.62	5.47	7.84	2.45	15.76	-	-	-	-	-	-	-	1	59
Rumania	2.74	0.08	2.82	2.94	0.73	6.49	-	-	-	-	-	4.230	-	794	2,486
Sierra Leone	0.91	0.60	1.51	19.70	0.03	21.24	-	0.01	-	0.52	-	-	-	2	286
South Africa	2.83	0.57	3.40	42.38	0.01	45.78	-	-	-	-	-	1.503	-	6	800
Syria	2.83	0.57	3.40	42.38	0.01	45.78	-	-	-	-	-	-	-	-	-
Uruguay	2.83	0.57	3.40	42.38	0.01	45.78	-	-	-	-	-	-	-	-	-
USSR	3.68	0.28	3.96	2.55	0.12	6.83	0.49	0.01	2.79	3.28	0.43	-	-	-	-
Zambia	3.68	0.28	3.96	2.55	0.12	6.83	0.49	0.01	2.79	3.28	0.43	-	-	-	-

(1) Sector Output per worker in U.S. dollars.
 (2) Gross capital formation per worker in U.S. dollars.
 (3) Energy production per worker in twh.
 (4) Energy consumption per capita in twh.

Table F. 7. TRANSPORT AND COMMUNICATIONS OCCUPATIONAL STRUCTURE (L₁/L₁) AND ECONOMIC INDICATORS (a)

COUNTRY	L ₁ /L ₁ (%)										S/T	0 - 02	X ₁ /L ₁ (1)	C/L ₁ (2)	T/L ₁ (3)	S/X (4)
	0	1	0 - 1	2	3	0 - 1 + 2 + 3	6									
Belgium	1.69	1.84	3.53	20.43	0.32	24.28	46.1	1.23	0.32	3.099	181.0	1.205	146.76			
Canada	3.43	6.07	9.50	19.13	0.79	29.42	41.5	-	-	5.891	1,150.0	5.719	70.45			
Denmark	0.85	0.43	1.28	11.18	0.65	13.11	66.3	0.83	0.48	3.847	169.8	1.132	167.98			
France	5.32	2.70	8.02	11.65	3.03	22.70	36.9	3.42	1.49	4.835	1,823.1	4.978	79.61			
F. R. Germany	3.68	4.60	8.28	16.84	0.31	25.43	49.8	3.56	-	3.468	783.5	6.509	143.60			
Great Britain	1.34	2.09	3.43	15.10	0.69	19.22	55.4	1.03	0.33	3.222	1,576.7	8.544	166.77			
Greece	1.05	1.67	2.72	4.15	0.05	6.92	60.5	0.78	0.22	1.527	370.0	267	396.20			
Ireland	0.74	1.13	1.87	17.10	2.70	21.67	56.1	-	-	-	46.1	181	-			
Japan	1.45	3.69	5.14	26.52	0.76	32.42	40.1	-	-	-	1,382.7	6,345	-			
Netherlands	1.51	2.26	3.77	16.63	0.56	20.96	51.7	-	-	3.276	1,725.0	1,740	157.61			
Norway	1.06	1.84	2.90	5.75	0.31	8.96	71.6	0.89	0.33	4.377	113.4	773	163.58			
Portugal	1.17	1.71	2.88	10.97	0.44	14.29	62.0	0.81	0.28	1,006	50.4	427	616.30			
Sweden	2.91	1.74	4.65	9.62	0.30	14.57	65.3	2.47	-	4,110	115.3	2,761	158.89			
Turkey	1.88	5.57	7.45	17.85	0.35	25.65	40.7	0.90	0.69	5,362	7,334.6	38,205	75.90			
United States 1960	3.15	6.46	9.63	20.69	0.81	31.13	40.4	1.51	1.06	7,149	12,217.6	77,422	56.51			
Argentina	0.96	1.96	2.92	16.25	0.39	19.56	47.8	0.59	-	1,485	389.7	1,360	318.39			
Chile	1.09	2.35	3.44	19.73	0.51	23.68	45.1	0.93	-	2,500	9.8	203	180.40			
Costa Rica	0.41	3.49	3.90	23.27	0.73	27.90	41.1	-	-	1,200	97.0	20	342.50			
Ecuador	0.39	0.40	0.79	19.34	0.50	20.63	61.5	-	-	804	20.4	38	764.93			
Egypt	1.85	1.91	3.76	8.10	0.22	12.08	57.2	1.34	0.74	1,401	19.5	245	408.28			
El Salvador	0.56	1.85	2.41	5.56	0.07	8.04	69.6	0.06	-	1,089	9.8	16	639.12			
Finland	1.63	1.14	2.77	5.17	0.20	8.14	73.8	1.43	1.39	2,530	72.6	654	291.70			
Ghana	0.58	1.36	1.94	8.05	0.25	10.24	54.2	0.48	-	-	17.7	26	-			
Honduras	0.18	2.32	2.60	27.83	2.38	32.69	44.1	-	-	2,520	5.3	6	176.00			
Hong-Kong	0.92	1.78	2.70	6.19	1.66	10.57	55.1	0.58	-	-	10.8	129	-			
Hungary	3.23	0.48	3.71	9.25	0.36	13.34	52.4	2.39	0.37	833	31.3	243	629.05			
Israel	1.95	4.77	6.72	16.70	1.35	24.77	45.5	1.49	-	4,374	25.7	134	104.02			
Jamaica	0.44	7.02	7.46	11.83	0.23	19.52	21.5	0.12	-	2,414	9.2	38	69.06			
Korea (S)	0.66	3.81	4.67	9.53	0.81	15.01	58.0	-	-	1,034	18.6	122	560.93			
Mexico	1.83	0.97	2.80	17.71	1.00	21.51	77.0	-	-	1,171	315.0	567	657.56			
Pakistan	0.51	1.18	1.69	10.22	0.12	12.03	73.8	-	-	954	30.9	90	773.58			
Panama	1.70	3.01	4.71	7.4	0.09	12.57	68.0	0.62	0.11	2,450	7.8	33	277.55			
Peru	1.85	2.49	4.34	10.87	0.37	15.48	-	1.22	-	1,268	65.2	113	-			
Philippines	0.69	1.00	1.69	4.25	0.15	6.09	69.5	1.22	-	1,133	173.5	1,193	-			
Poland	5.45	-	-	-	-	-	-	5.04	0.23	3,895	36.9	109	-			
Puerto Rico	3.72	4.30	8.02	11.57	1.05	20.64	-	7.04	0.57	-	6.9	-	-			
Rumania	10.34	3.23	13.57	5.54	0.10	19.21	55.2	-	-	674	4.3	-	935.62			
Sierra Leone	1.83	1.16	2.99	7.09	0.20	10.28	62.4	-	-	2,649	233.0	970	132.13			
South Africa	1.22	2.15	3.37	14.76	0.18	16.25	35.0	-	-	1,973	12.3	58	372.53			
Syria	0.28	1.12	1.40	7.75	0.43	9.58	73.5	0.12	-	1,763	82.2	137	209.93			
Uruguay	0.81	1.79	2.60	28.11	0.81	32.52	36.8	-	-	1,278	-	-	-			
USSR	3.43	1.77	5.23	6.91	0.61	12.75	57.1	2.72	-	2,497	11.4	-	-			
Zambia	1.28	1.14	2.42	7.87	0.39	10.58	-	0.94	0.22	-	-	-	-			

(1) Sector output per worker in U.S. dollars.

(2) Number of Commercial Vehicles per worker

(3) Number of telephone per worker

(4) Number of Transport Man per unit of sector output.

Table F 8 COMMERCE OCCUPATIONAL STRUCTURE (L₁/L_i) AND ECONOMIC INDICATORS (a₁)

COUNTRY	L ₁ /L _i (%)					a ₁			
	0	1	0 + 1	2	3	X ₁ /L ₁ (1)	X/P (2)	E ₁ /L ₁ (3)	L ₁ /L (4)
Belgium	2.16	3.74	5.90	20.37	57.19	4,630	1,200	8,316	15.4
Canada	2.52	9.66	2.18	24.48	40.00	6,800	1,800	10,470	17.8
Denmark	0.55	3.33	3.88	20.23	56.08	4,260	1,256	-	14.9
France	4.10	3.60	7.70	12.81	48.35	4,860	1,320	-	15.5
F.R. Germany	1.87	2.94	4.81	25.40	46.61	4,249	1,232	5,040	13.9
Great Britain	2.05	0.82	2.87	13.94	56.08	3,118	1,244	5,300	13.7
Greece	3.63	0.90	4.53	12.49	82.24	2,415	373	3,230	7.2
Ireland	1.39	2.26	3.65	14.33	59.23	-	583	2,400	15.0
Japan	0.59	3.89	4.48	15.72	54.73	983	347	-	17.6
Netherlands	2.01	4.86	6.87	22.51	53.25	2,763	890	5,080	16.3
Norway	2.38	6.17	8.55	19.86	54.39	4,057	1,330	8,900	13.3
Portugal	1.08	1.68	2.76	16.57	72.58	1,081	250	1,930	8.2
Sweden	2.27	3.32	5.59	18.72	58.02	5,515	1,509	10,430	13.5
Turkey	1.79	-	-	-	71.70	2,380	191	-	3.1
United States 1950	2.40	22.15	24.55	15.87	28.82	7,774	1,735	-	21.9
United States 1960	2.45	18.75	21.20	19.42	28.40	8,603	2,570	16,100	22.4
Argentina	1.24	4.09	4.33	14.58	69.25	2,564	513	-	15.3
Chile	0.82	7.04	3.86	15.80	67.78	4,854	588	-	10.1
Costa Rica	1.36	3.39	4.75	14.14	69.44	-	336	-	9.8
Ecuador	0.50	0.70	1.20	9.93	87.15	1,761	186	-	6.7
Egypt	0.77	1.20	1.97	5.81	87.31	1,219	137	-	9.0
El Salvador	2.00	0.86	4.05	11.26	79.40	2,183	198	-	6.4
Finland	3.16	5.12	8.28	16.82	55.06	3,468	982	8,900	11.6
Ghana	0.11	0.75	0.86	2.86	91.28	-	185	-	14.5
Honduras	0.76	1.85	2.61	11.32	77.98	2,980	188	-	4.8
Hong-kong	0.38	8.28	8.66	19.60	59.62	-	199	-	11.2
Hungary	4.21	2.22	6.43	24.61	32.10	1,390	662	-	6.6
Israel	2.24	6.25	8.49	23.27	55.92	-	1,071	-	11.9
Jamaica	0.45	7.72	8.17	10.90	70.75	2,460	419	-	9.9
Korea (S)	0.32	0.74	1.06	2.82	92.50	1,052	130	696	8.3
Mexico	2.08	2.37	4.47	9.63	81.52	2,522	275	-	9.5
Pakistan	0.16	3.87	4.03	3.28	87.52	948	56	-	4.9
Panama	4.74	8.70	13.44	14.43	53.24	2,787	363	-	9.2
Peru	1.81	3.83	5.64	11.06	77.51	1,676	194	-	9.0
Philippines	1.57	1.48	3.05	4.16	88.73	2,183	153	-	6.4
Poland	9.30	-	-	-	-	2,160	948	-	5.8
Puerto Rico	2.68	27.59	30.27	13.77	37.74	6,402	761	-	13.8
Rumania	17.48	5.30	22.78	13.82	40.19	-	643	-	-
Sierra Leone	0.16	0.67	0.85	7.84	87.87	-	83	-	5.9
South Africa	2.01	6.21	8.22	13.65	28.33	3,831	450	-	8.3
Syria	0.37	0.47	0.84	4.26	93.83	1,179	164	-	8.8
Uruguay	1.06	2.58	3.64	22.06	60.88	2,341	528	-	13.3
USSR	3.09	7.80	10.89	12.29	30.36	-	790	-	5.1
Zambia	1.35	4.21	5.56	14.22	13.78	2,717	187	-	3.1

sector output per worker in U.S. dollars
 (3) Gross capital formation per worker in U.S. dollars
 (4) Sector share of employment (in %)

Table F. 2. SERVICES. OCCUPATIONAL STRUCTURE (L1/L1) AND ECONOMIC INDICATORS (M)

COUNTRY	L1/L1 (%)											L1/L1 (%)					
	0	1	0 + 1	2	3	0 + 1 + 2 + 3	0 + 0	0 + 1	0 + 2	0 + X	STP		0 + 0 + X	0 + 02	1 + 1	X/P (1)	I ₁ (2)
Belgium	29.40	2.74	32.14	14.28	9.53	55.95	1.16	0.09	0.17	1.05	2.47	2.21	0.39	0.42	1.200	70	
Canada	26.96	6.27	33.23	13.03	0.76	47.02	-	-	-	-	-	-	-	-	1.800	76	
Denmark	28.20	4.85	33.05	10.01	1.09	44.15	2.02	0.09	0.31	0.93	3.35	2.95	1.16	3.13	1.256	77	
France	30.37	2.40	32.77	12.93	1.16	46.86	0.87	0.06	0.12	1.05	1.31	1.93	0.77	0.57	1.320	66	
F.R. Germany	26.85	8.61	35.47	16.82	0.87	53.16	2.86	0.12	0.20	1.19	4.39	4.07	4.35	4.35	1.232	76	
Great Britain	21.44	2.63	24.07	19.18	3.73	46.98	1.42	-	-	1.32	3.03	2.74	0.60	1.63	1.244	78	
Greece	26.33	1.36	27.69	13.44	12.45	53.58	0.28	0.14	0.19	1.06	1.69	1.36	0.21	-	373	42	
Ireland	34.44	1.09	35.53	13.15	0.77	49.45	-	-	-	-	-	-	-	-	383	54	
Japan	27.74	2.65	30.39	20.86	1.36	52.61	-	-	-	-	-	-	-	-	347	31	
Netherlands	29.96	2.17	32.15	15.14	0.48	47.77	1.75	0.24	0.68	1.49	4.10	3.24	1.02	1.61	1.330	70	
Norway	34.05	4.14	38.22	10.31	0.18	48.69	1.75	0.24	0.68	1.49	4.10	3.24	1.02	1.61	1.330	70	
Portugal	15.56	2.81	18.37	11.46	1.47	31.32	0.48	0.05	0.14	0.71	1.38	1.19	0.32	2.22	250	30	
Sweden	32.73	2.57	35.30	9.52	0.95	45.77	-	0.31	0.15	-	1.98	1.17	0.87	5.12	1,509	79	
Turkey	24.20	-	-	-	1.19	42.80	-	-	0.50	-	0.96	1.17	0.87	5.12	1,735	18	
United States 1950	27.48	6.76	34.24	13.40	0.96	46.59	1.12	-	-	0.45	1.89	1.57	0.87	5.12	1,735	18	
United States 1960	29.81	6.17	35.98	15.18	0.83	51.99	1.35	0.23	0.11	0.89	2.88	2.64	1.04	4.55	570	100	
Argentina	17.30	3.71	21.01	13.84	1.36	36.23	-	0.68	0.08	0.69	0.96	0.64	-	2.38	586	42	
Chile	18.25	2.99	21.24	6.89	0.27	30.40	0.68	0.23	0.13	1.16	2.20	1.84	-	-	336	32	
Costa Rica	27.12	2.43	29.55	10.61	1.97	42.13	-	-	-	-	-	-	-	-	196	20	
Ecuador	22.74	0.90	23.64	11.95	0.53	38.12	-	-	-	-	-	-	-	-	137	14	
El Salvador	15.03	3.69	18.72	11.47	0.52	30.71	10.71	0.05	0.76	0.63	1.75	1.34	0.59	0.53	137	14	
Finland	18.56	0.78	19.32	9.50	0.29	29.11	-	-	0.01	-	-	-	-	0.37	198	15	
Hong-Kong	36.34	2.58	38.92	7.83	0.74	47.49	-	0.17	1.17	-	3.86	2.52	-	0.95	962	72	
Honduras	18.58	2.62	5.36	6.65	2.57	-	0.33	-	-	1.25	1.57	1.57	-	0.62	185	13	
Hungary	31.71	3.04	34.75	9.07	1.53	45.35	-	-	-	-	-	-	-	0.62	188	12	
Israel	33.90	5.22	39.12	16.58	2.23	57.93	-	-	-	-	-	-	-	-	185	12	
Jamaica	12.95	2.91	15.86	9.30	0.16	25.32	0.09	0.02	0.04	0.34	0.49	0.43	-	2.31	419	34	
Korea (S)	16.35	4.42	20.77	12.39	2.59	35.75	-	-	-	-	-	-	-	-	130	20	
Mexico	18.37	1.93	20.20	21.66	3.68	45.54	-	-	-	-	-	-	-	-	275	25	
Morocco	16.16	1.29	17.45	15.59	0.31	33.35	-	-	-	-	-	-	-	-	56	8	
Pakistan	19.37	4.19	23.56	9.46	1.37	34.39	-	-	0.10	-	1.32	0.71	0.19	1.58	363	33	
Panama	19.50	2.61	22.11	6.08	1.40	31.59	-	-	-	-	-	-	-	-	194	22	
Peru	22.63	2.74	25.37	10.99	0.42	36.78	0.88	-	-	0.37	1.52	1.25	-	0.94	153	19	
Philippines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Poland	23.32	7.89	31.21	13.01	2.04	46.26	-	-	-	-	-	-	0.46	-	761	-	
Puerto Rico	47.35	9.49	56.84	14.37	0.62	71.63	1.53	0.27	0.45	3.13	5.38	4.66	1.46	-	643	41	
Rumania	33.02	4.56	37.58	6.52	0.31	48.41	-	-	-	-	-	-	-	-	83	3	
Serbia Leone	16.35	1.86	18.21	8.16	0.53	28.90	-	-	-	-	-	-	-	-	450	34	
South Africa	16.93	2.98	19.91	15.39	0.51	35.61	-	0.02	0.12	-	0.65	0.51	-	1.47	199	14	
Syria	18.98	1.21	20.19	16.83	2.44	39.46	-	-	-	-	-	-	-	-	526	57	
Uruguay	18.98	1.21	20.19	16.83	2.44	39.46	-	-	-	-	-	-	-	-	790	52	
USSR	44.75	4.40	49.35	7.67	0.57	57.59	1.95	1.30	0.31	3.64	7.20	5.89	-	-	13.92	13.92	
Zambia	20.09	1.97	22.06	4.71	0.18	26.95	0.33	0.05	0.38	1.27	2.03	1.20	0.20	0.20	187	-	

(1) GDP per capita in U.S. dollars
 (2) Social structure index
 (3) Social structure of employment (in %)

Annex G

BASIC DATA USED FOR THE OCCUPATIONAL ANALYSIS

Occupational categories are indicated by subscript j and educational levels by subscript k.

a) Each occupational category j is also represented by a figure:

Major Group 0	♦ Professional, Technical and related workers	0
Minor Groups 0-0/0-1/ 0-2/0-X	♦ Scientific and Technical Personnel (STP)	9
Minor Group 0-X	♦ Draughtsmen and Science and Engineering Technicians	8
Major Group 1	♦ Administrative, Executive and Managerial Workers	1
Major Group 2	♦ Clerical workers	2
Major Group 3	♦ Sales workers	3
Major Group 4	♦ Farmers, Fishermens and related	4
Major Group 5 to 9	♦ All manual categories but Farmers	5
Major Group 7/8	♦ Craftsmen, Production - Process workers	7

b) Each educational level k is also represented by a letter:

University Degree and above	A
Complete Secondary schooling and above	B
More than eight years of schooling	C

Eight years of schooling or less	D
Mean years of schooling	E

The data on the educational levels (profiles) of the occupational categories are drawn from Statistics of the Occupational and Educational Structure of the Labour Force in 53 Countries, OECD, Paris, 1969.

NOTE: The subscript for the occupational category is always shown before the educational subscript. Thus for example, Ljk/L in column 9B represents the number of people in occupational category 9 (Scientific and Technical Personnel) with educational level B (Complete Secondary schooling and above) as a proportion of total employment. Thus for the Netherlands, the proportion in total employment of Scientific and Technical Personnel with complete Secondary schooling and above is 1.48% (Table G, 5).

Table 1. BASIC STATISTICAL DATA[illegible]

1. THESE ARE THE QUESTIONS

Data for each month are based on the telephone survey and "asked if."

2000 年 10 月 25 日

- The data are drawn from the "Compendium of Macroeconomic Indicators" to the National Accounts. Part C: Country tables and Part D: International tables (Principal aggregates and their breakdowns).
- A. A. GDP at factor costs for the reference year indicated as "Year X". Where data on GDP at factors are not available, the most similar aggregate was taken (for example, GDP at market prices plus taxes). It includes construction, the material product, transport services activities and is therefore not immediately comparable to GDP calculated by the joint secretariat's approach as used in the OECD series. Statistical sources for Hungary's separate estimation were used.
- B. The conversion rate: 1 dollar; the exchange rates of the LCU were used: see International Financial Statistics, April 1987.
- C. Data from the "Economic, Educational Statistics of the Countries of the Organization for Economic Cooperation and Development, Structure of the Labour Force in 53 Countries, OECD Paris 1980, Volume I."
- D. Government expenditure on economic and technical cooperation: see "The Role of Living of Nations: Planning of Management" by D. H. Mahapatra in Economics Journal of the Indian Council of Economic Relations, March 1962.
- E. Represents the gross fixed capital formation per worker multiplied over a period of seven or eight years preceding the census year. Data are drawn from the Yearbook of National Income Statistics (NIC) of India, various issues. 1. dollars; current exchange rates were used.
- F. Represents the proportion of exports of goods and services to the expenditure on GDP for the census year or for the two or three years preceding it. Whenever this was not a sufficient measure of export dependence, the NIC of India was used.
- G. Expenditure on non-durable goods, excluding consumption of 1. dollars.

Table G 2 OCCUPATIONAL STRUCTURE (L/L) AND EDUCATIONAL STRUCTURE (Lk L) OF THE TOTAL LABOUR FORCE

COUNTRY	L/L										Lk L									
	0	9	P	1	2	3	4	5	6	7	A	T	8	9	10	11	12	13	14	15
Canada	9.73	2.04	0.93	5.35	12.89	9.32	11.80	50.91	29.93	4.30	27.06	49.23	51.77							
United States	10.37	2.46	0.84	6.33	13.08	9.32	6.43	54.48	31.31	9.14	46.51	68.44	11.16							
France	9.84	2.79	1.81	1.97	8.12	9.09				2.71										
Greece	3.47	0.49	0.20	0.78	3.90	5.99	53.23	32.63	18.70	2.46	10.76									
Japan	4.84	0.60		2.28	10.43	10.56	32.62	39.29	28.58	3.46	29.61									
Norway	8.05	2.12	1.12	3.20	7.01	7.52	19.35	54.94	2.54											
Netherlands	9.14	2.73	2.35	3.07	12.24	8.16	9.56	58.93	35.72	1.36	10.47									
Portugal	2.78	0.52	0.28	1.29	4.54	6.32	43.37	41.70	1.20											
Sweden	9.23	2.99		2.13	8.46	9.51	13.50	57.07	37.43	2.06	5.34									
Yugoslavia	5.90	1.28	0.98	1.07	4.54	1.64			22.66	1.43	6.53	14.06	45.94							
Argentina	6.30	0.86		2.61	10.88	9.46			26.56	1.40	10.00	17.40	42.20							
Chile	4.95			1.93	6.77	7.04	27.51	51.80	26.57	1.41	6.71	17.24	41.17							
Korea (S)	2.36			1.28	2.60	8.21	65.63	19.92	9.44	0.55	1.21	10.64	44.92							
Syria	3.12	0.82	0.46	1.08	3.62	8.07	53.42	30.69	16.01	1.46	2.17	6.44	92.77							
Ecuador	3.58	0.32		0.29	2.61	6.06	57.77	29.69	18.15	0.59	3.46	6.52	92.44							
Ghana	2.34	0.48	0.36	0.52	1.69	13.50	61.09	20.46	15.3	0.17	1.61									
Honduras	2.52			0.59	2.22	3.95	65.89	24.84	10.16	0.19	2.56									
Hong-Kong																				
Hungary	7.20	2.75	1.90	1.38	6.54	2.70			33.45	3.10	10.32	20.44	79.09							
Israel	12.08	2.06		5.17	11.93	7.95	13.46	49.42	24.50	4.24	1.92	10.93	50.76							
Pakistan	1.38	0.06		0.44	1.81	4.35				0.33		2.41	9.19							
Panama	5.08			2.38	6.03	5.46	50.10	30.90	13.78	1.76	5.94	11.65	47.07							
Peru							48.73	34.96												
Philippines	2.26			3.52	2.73	6.02	59.58	25.89	14.81	3.20	6.20	16.40	43.20							
Puerto Rico									39.40		40.19	42.16	57.44							
Syria	2.18	0.11		0.61	2.99	8.00	48.30	37.93		0.77										
Uruguay	6.08			1.46	12.45	9.83	17.97	52.26	26.03	1.79	7.04	14.22	44.56							
Zambia	2.40	0.46	0.18	0.46	1.45	0.52			1.18	0.45	2.93	5.25	94.45							

Table G.3. NUMBER OF PERSONS IN AN OCCUPATIONAL CATEGORY j WITH AN EDUCATIONAL LEVEL k AS A PROPORTION OF TOTAL NUMBER IN THIS CATEGORY $\frac{1}{N_k} \sum_j f_{kj}$ (%)

COUNTRY	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Canada	31.04	37.43	4.73	9.71	3.44	2.76	82.00	78.58	65.65	47.98	14.24	12.48	12.00			
United States	53.22	41.12	10.49	18.47	5.05	7.24	91.19	88.29	82.42	68.64	72.49	52.54	29.81			
France	18.44	19.58	2.70	19.75	1.91	1.40										
Greece	56.60	53.89	3.17	27.37	5.52	1.39	79.00	88.73	72.60	72.63	76.85	17.91	3.98			
Japan	25.77	31.31	17.57	10.14	4.30	4.30	85.55	92.41		66.75	75.51	38.48	19.01			
Norway	23.50	31.88	1.27	13.35	0.58	0.46										
Netherlands	11.47	10.16	0.14	6.52	0.56	0.14	53.00	54.40	47.98	46.59	17.86	5.80	0.76			
Portugal	33.01	47.11	6.39	5.82	1.16	0.24				47.18	5.40	3.30	1.90			
Sweden	18.08	14.60	1.24	0.36	0.55	0.55	58.12	60.19	62.04	56.70	16.10	9.88	2.00			
Yugoslavia	18.90	23.34	1.47	12.86	1.00	1.7	98.00	23.25								
Argentina	20.06	41.60		5.10	1.12	0.37	72.10	78.29		29.19	28.77	11.70	1.20			
Chile	22.23			2.75	0.78	0.35	15.45			25.20	30.11	8.89	1.13			
Korea (S)	8.41			2.62	4.36	0.51	46.16			18.24	31.11	5.24	3.28			
Egypt	19.67	63.21	15.51	39.05	1.88	0.21	46.83	65.10	39.24	40.80	2.96	0.23	0.02			
Ecuador	13.31	33.48		4.73	1.24	0.23	50.91	70.02	24.15	21.85	5.42	0.90				
Ghana	5.45	5.07	0.54	8.76	0.53	0.63	14.70	22.63	14.44	37.83	17.79	0.60	0.53			
Honduras	5.17			3.29	0.16	0.09	42.45			36.83	29.37	4.55	0.59			
Hong-Kong																
Hungary	13.04	23.73	5.60	17.08	4.40	0.40	70.48	63.70	52.39	47.21	40.20	5.21	3.15			
Israel	21.19	32.56		9.95	4.88	1.45	61.30	70.25		24.33	31.26	11.33	6.96			
Pakistan	11.88	29.33		11.28	4.93	0.30										
Panama	21.81			10.50	4.09	0.92	44.81			28.15	26.06	6.67	3.64			
Peru																
Philippines	56.54			6.70	28.97	3.50	86.41			12.30	54.55	7.31	2.84			
Puerto Rico							95.90			46.30	79.75	35.14	19.01			
Syria	23.33	79.07		26.98	1.07	0.23										
Tunisia	22.81			6.21	1.45	0.41	54.21			23.45	16.71	5.21	0.90			
Uruguay							40.44									
Zambia	14.69	24.28	0.11	10.81	1.29	1.79		71.02	52.05	73.24	49.74	43.68	30.32			

Table G.3bis. NUMBER OF PERSONS IN AN OCCUPATIONAL CATEGORY J WITH AN EDUCATIONAL LEVEL k,
AS A PROPORTION OF TOTAL NUMBER IN THIS CATEGORY: L/k/Ij (%)

COUNTRY	0C	1C	2C	3C	7C	0D	1D	2D	3D	7D
Canada	92.28	68.95	74.83	60.08	31.85	7.72	31.05	25.17	39.92	68.15
United States	97.12	85.41	91.12	78.25	56.19	2.88	14.59	8.88	21.75	43.81
France										
Greece										
Japan										
Norway										
Netherlands										
Portugal										
Sweden										
Yugoslavia	77.16	71.09	37.17	24.96	31.20	22.86	28.91	62.83	75.04	68.80
Argentina	78.40	36.61	41.49	19.40	10.40	21.60	63.39	58.60	80.60	88.60
Chile	61.84	54.36	72.98	20.70	9.60	36.13	43.73	25.80	68.78	89.11
Korea (S)	79.30	38.54	63.59	15.05	11.89	20.39	61.12	36.19	84.54	87.76
Egypt	95.99	71.51	47.48	2.39	1.88	3.39	27.09	52.11	97.42	97.87
Ecuador	66.72	36.17	45.20	13.46	4.07	24.03	57.45	49.70	85.03	94.29
Ghana										
Honduras	54.27	49.55	53.92	8.43	1.84	45.73	50.90	46.16	91.92	98.04
Hong-Kong	82.17	73.16	59.36	19.63	8.66	17.83	26.81	40.77	80.37	91.34
Hungary										
Israel	75.16	68.30	70.69	31.34	24.32	24.02	30.73	28.66	62.32	67.47
Pakistan	52.86	34.46	57.32	7.86	2.84	47.14	65.68	42.68	92.14	97.16
Panama	78.98	54.62	62.33	21.43	15.66	20.11	44.82	37.23	78.11	83.47
Peru										
Philippines	95.71	32.50	84.44	26.33	19.27	4.29	67.50	15.88	73.67	80.73
Puerto Rico	97.70	56.16	88.09	50.97	36.15	2.30	43.84	11.91	49.02	63.95
Syria										
Uruguay	66.45	42.76	37.29	14.91	5.99	29.42	56.55	61.90	84.68	93.19
Zambia	64.34	92.57	85.51	80.19	81.16	35.63	7.30	14.49	19.81	18.84

Table G 4 NUMBER OF PERSONS IN AN OCCUPATIONAL CATEGORY J WITH AN EDUCATIONAL LEVEL K,
AS A PROPORTION OF TOTAL EMPLOYMENT Ljk/L (%)

COUNTRY	GA	9A	8A	1A	2A	3A	0A	9B	4B	1B	2B	3B	7B
Canada	3.02	0.76	0.04	0.52	0.19	0.26	7.98	1.60	0.61	2.57	5.71	3.03	3.47
United States	5.52	1.01	0.09	1.17	0.66	0.72	9.48	2.17	0.69	4.35	9.48	4.90	9.24
France	1.81	0.55	0.05	0.39	0.16	0.12	0.18	0.43	0.14	0.57	3.00	1.07	0.75
Greece	1.97	0.26	0.21	0.22	0.07	0.27	2.74	0.74	0.14	1.52	7.87	4.06	5.43
Japan	1.25	0.25	0.40	0.40	1.08	0.35	4.14	0.74	0.14	1.52	7.87	4.06	5.43
Norway	1.99	0.68	0.01	0.43	0.04	0.03	0.01	1.48	1.13	1.12	2.19	0.47	0.27
Netherlands	1.63	0.28	0.20	0.20	0.07	0.01	5.39	1.48	1.13	1.12	2.19	0.47	0.27
Portugal	0.92	0.24	0.02	0.08	0.05	0.02	5.36	1.81	0.61	0.80	0.46	0.41	0.72
Sweden	1.67	0.44	0.27	0.27	0.03	0.05	4.02	0.30	0.61	0.61	0.74	0.16	0.45
Yugoslavia	1.12	0.30	0.01	0.19	0.05	0.02	4.02	0.30	0.61	0.61	0.74	0.16	0.45
Argentina	1.26	0.36	0.13	0.13	0.12	0.09	4.54	0.67	0.76	0.76	3.13	1.11	0.85
Chile	1.10	0.05	0.05	0.05	0.05	0.02	2.25	0.49	0.49	0.49	2.04	0.63	0.35
Korea (S)	0.20	0.03	0.03	0.03	0.11	0.04	1.09	0.23	0.23	0.23	0.81	0.43	0.31
Egypt	1.24	0.52	0.16	0.42	0.07	0.02	1.43	0.53	0.18	0.44	0.11	0.02	0.00
Ecuador	0.48	0.11	0.01	0.01	0.03	0.01	1.82	0.22	0.07	0.07	0.57	0.33	0.16
China	0.10	0.02	0.00	0.05	0.01	0.00	0.81	0.11	0.05	0.20	0.28	0.08	0.08
Honduras	0.13	0.02	0.02	0.02	0.00	0.00	1.07	0.11	0.05	0.22	0.65	0.18	0.06
Hong-Kong	2.38	0.85	0.11	0.24	0.29	0.01	5.07	1.75	1.01	0.65	2.63	0.12	1.05
Hungary	2.56	0.67	0.51	0.51	0.58	0.12	7.41	1.45	1.26	1.26	3.73	0.90	1.98
Israel	0.16	0.02	0.05	0.05	0.09	0.01	2.28	0.87	0.87	0.87	1.58	0.36	0.50
Pakistan	1.11	0.25	0.25	0.25	0.25	0.05	2.28	0.87	0.87	0.87	1.58	0.36	0.50
Panama	1.11	0.25	0.25	0.25	0.25	0.05	2.28	0.87	0.87	0.87	1.58	0.36	0.50
Peru	1.28	0.24	0.24	0.24	0.79	0.21	1.95	0.87	0.87	0.87	1.58	0.36	0.50
Philippines	1.28	0.24	0.24	0.24	0.79	0.21	1.95	0.87	0.87	0.87	1.58	0.36	0.50
Puerto Rico	0.51	0.09	0.16	0.16	0.03	0.02	6.87	0.34	0.34	0.34	2.08	0.51	0.25
Syria	1.39	0.09	0.09	0.09	0.03	0.02	3.29	0.34	0.34	0.34	2.08	0.51	0.25
Uruguay	0.35	0.12	0.01	0.05	0.02	0.01	0.97	0.34	0.09	0.34	0.72	0.23	0.36
Zambia	0.35	0.12	0.01	0.05	0.02	0.01	0.97	0.34	0.09	0.34	0.72	0.23	0.36

Table G 4bis NUMBER OF PERSONS IN AN OCCUPATIONAL CATEGORY J WITH AN EDUCATIONAL LEVEL K,
AS A PROPORTION OF TOTAL EMPLOYMENT 1961/1. (%)

COUNTRY	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Canada	8.98	1.60	9.64	6.80	9.24	0.76	1.66	3.24	3.72	19.72				
United States	10.07	5.41	11.91	7.29	17.42	0.30	0.92	1.16	2.03	13.68				
France														
Greenland														
Japan														
Norway														
Netherlands														
Portugal														
Sweden														
Soviet Union	4.50	0.70	1.00	0.41	7.07	1.15	0.11	3.85	1.31	15.80				
Argentina	4.04	0.00	4.00	1.04	3.70	1.10	1.00	0.17	7.62	33.80				
Australia	3.00	1.00	4.04	2.00	3.00	1.70	0.04	1.75	4.04	31.00				
Belgium	1.07	0.40	1.00	1.34	1.13	0.40	0.70	0.04	0.04	0.04				
Canada	1.00	0.77	1.73	0.10	0.10	0.10	0.10	1.00	7.00	16.07				
Denmark	2.10	0.11	1.10	0.03	0.14	0.00	0.17	1.10	0.10	1.10				
Finland	1.17	0.20	1.20	0.11	0.10	1.10	0.10	1.07	3.01	0.07				
France	4.10	3.41	1.60	3.00	4.00	0.01	0.00	3.00	11.07	43.00				
Germany	0.00	3.03	0.44	2.40	0.03	2.00	1.00	1.42	4.00	10.00				
Greece	0.73	0.00	1.04	0.14	0.11	0.00	0.20	0.77	4.01	10.01				
India	4.04	1.10	1.70	1.77	2.10	1.02	1.07	2.20	4.20	13.00				
Indonesia	2.10	1.00	2.20	1.00	2.00	0.10	2.10	0.41	4.41	11.00				
Italy	7.00	4.31	7.14	3.00	14.30	0.10	3.42	0.00	3.01	25.41				
Japan	4.04	0.00	4.04	1.47	1.00	1.70	0.00	7.70	0.33	20.10				
Kenya	1.51	0.49	1.24	0.42	0.00	0.00	0.01	0.01	0.10	0.20				

Table G. 5 MEAN YEARS OF SCHOOLING OF TOTAL ACTIVE POPULATION (E) AND OF EACH OCCUPATIONAL CATEGORY

COUNTRY	E	OE	1E	2E	3L	4E	5E
Canada	9.6	13.7	11.2	11.1	10.3	7.5	8.5
United States	11.8	15.3	12.9	12.4	11.9	10.7	10.9
France	7.0	13.3	12.4	12.1	8.2	5.7	7.0
Greece	10.3	13.9	12.6	12.6	10.6	9.3	10.0
Japan	7.6	10.9	9.4	8.0	7.4	7.1	7.2
Norway	9.9	12.2	11.1	10.0	9.7	9.5	9.5
Netherlands	2.8	10.6	5.2	6.0	3.4	1.8	2.8
Portugal	9.8	11.5	11.3	9.8	9.7	9.5	9.5
Sweden							
Yugoslavia							
Argentina	5.3	10.0	8.9	10.2	6.9	2.7	5.3
Chile	4.0	11.5	7.6	10.2	4.9	2.9	5.2
Korea (S)	2.4	12.9	11.1	8.3	2.6	1.0	2.5
Egypt	3.9	11.6	8.8	9.0	5.8	2.2	4.4
Ecuador	1.2	7.9	7.7	8.1	0.9	0.5	2.1
Ghana	2.6	9.7	7.9	8.4	4.2	1.1	2.7
Honduras							
Hong-Kong							
Hungary	8.5	13.0			7.1	6.3	7.2
Israel							
Pakistan	5.0	12.1	9.7	10.0	6.5	2.4	5.6
Panama	3.1	10.2	7.2	8.2	4.3	1.5	2.6
Peru	5.2	13.3	6.7	11.3	6.1	4.1	5.5
Philippines							
Puerto Rico	1.3	10.9	7.1	6.8	1.1	0.4	1.0
Syria	5.1	11.3	7.3	7.9	5.6	3.1	4.2
Uruguay							
Zambia							

Table G.5 OCCUPATIONAL COEFFICIENTS (L1/X) NUMBER OF PERSONS IN A CATEGORY J FOR ONE MILLION DOLLARS OF OUTPUT;
EDUCATIONAL COEFFICIENTS (Lk/X) NUMBER OF PERSONS WITH AN EDUCATIONAL LEVEL k FOR ONE MILLION DOLLARS OF OUTPUT

COUNTRY	L1/X					Lk/X					
	0	9	8	1	2	3	7	A	B	C	D
Canada	19 65	4.12	1.89	10 81	26 04	18.84	58 45	8 68	54 68	97 43	104 59
United States	15 42	3.66	1.25	9 42	19 45	13 86	46 12	13 59	69.21	102.38	46 35
France	30 09	8.54	5.54	6 02	24 84	27 78		8 28			
Greece	40 25	5.70	2.31	9 02	45.25	69 43	216 80	33.13	124.78		
Japan	58 27	9 62		27 47	125 54	127 12	344 03	41 63	356.52		
Norway	27 53	7.25	3.82	10 93	23 98	25 71		8 83			
Netherlands	27 12	11.07	9.55	12 47	49 72	33 16	145 09	5 52	44 16		
Portugal	41 75	7 80	4.19	19 40	68 29	94 94		18 09			
Sweden	27 10	8.79		6 26	24 86	27 93	111 14	6 06	24 38		
Yugoslavia	103 73	22 56	17 14	18 87	79 72	28 77	397 98	25.19	114.74	246 97	1,509.35
Argentina	46 25	6.39		19 41	81.01	70 45	197 85	13.41	74 49	132 58	612 29
Chile	27 27			10 65	37 33	38 81	146 40	7.20	36 96	95 22	447 25
Korea (S)	57 79			31.32	63 68	201 24	231 22	13 44	103 11	261 96	2,178 87
Egypt	60 10	15 72	8.79	20 84	69 68	155 16	307 98	35 71	41 72	132 29	1,785 54
Ecuador	63 95	5.64		5.22	46 65	108 37	324 74	10 40	61 80	116 66	1,652 80
Ghana	45 70	9.32	7.07	10 17	33 02	263 22	299 38	3 30	31 30		
Honduras	39 07			9 13	34 51	61 23	157 73	2.95	39 67	63 74	1,488 25
Hong-Kong										247 31	939 68
Hungary	54 01	20 63	14.28	10 35	49 03	17 29	250 98	23 25	77 42		
Israel	33 19	5.66		14 20	32 78	21 83	78 29	11 79	53 07	110 79	139 44
Pakistan	54 63	2 28		17 38	71 72	171 87		13 21		111.07	3,850.87
Panama	38 93			18 26	46 57	41 78	105 50	13 48	45 45	112 15	651 41
Peru											
Philippines	55 48			86 54	67 00	147 82	363 84	78 60	152 28	412 64	2,043 58
Puerto Rico							111 16		84 31	117 75	161 54
Syria	36 78	1.90		10 28	50 30	134 82		13 03			
Uruguay	45 01			10 79	92 19	72 84	207 59	13 24	52 16	105 16	626 34
Zambia	22 72	4 50	1.72	4 35	13 70	4 92	397 98	4 29	27 72	49 68	897 32

Table G.7 OCCUPATIONAL/EDUCATIONAL COEFFICIENTS L_{ik}/X_i, NUMBER OF PERSONS OF A CATEGORY j WITH AN EDUCATIONAL LEVEL k
FOR ONE MILLION DOLLARS OF OUTPUT

COUNTRY	0A	9A	8A	1A	2A	3A	6B	9B	8B	1B	2B	3B	7B
Canada	6 10	1 54	0 09	1 05	0 37	0 52	16 12	3 24	1 24	5 18	11 52	6 12	7 01
United States	8 21	1 51	0 13	1 74	0 96	1 07	14 10	3 23	1 03	6 46	14 10	7 28	13 75
France	5 55	1 67	0 15	1 19	0 47	0 36							
Greece	22 78	3 07	0 03	2 47	2 50	0 62	31 80	5 03	1 63	6 55	34 78	12 44	8 64
Japan	15 01	3 01		4 83	12 98	4 20	49 85	8 89		18 34	94 79	48 91	65 39
Norway	6 47	2 31	0 05	1 46	0 14	0 12							
Netherlands	4 26	1 12	0 01	0 81	0 28	0 05	21 90	6 01	4 58	4 56	8 88	1 92	1 10
Portugal	13 78	3 68	0 27	1 13	0 79	0 23							
Sweden	4 90	1 28		0 80	0 09	0 15	15 76	5 32		2 35	1 34	1 20	2 11
Yugoslavia	19 61	5 27	0 25	3 37	0 80	0 34	70 53	5 24	10 64	10 70	12 99	2 84	7 96
Argentina	9 39	2 66		0 99	0 90	0 65	33 85	5 00		5 69	23 29	8 24	6 33
Chile	6 06			0 29	0 29	0 13	12 39			2 68	11 24	3 45	1 94
Korea (S)	4 86			0 82	2 78	1 04	26 68			5 71	19 81	10 55	7 59
Egypt	23 84	9 94	3 12	8 14	1 31	0 34	28 15	10 24	3 45	8 50	2 06	0 36	0 08
Ecuador	8 51	1 89		0 25	0 58	0 25	32 55	3 95		1 27	10 19	5 86	2 91
China	2 03	0 47	0 04	0 89	0 18	0 09	15 86	2 11	1 02	3 85	5 74	1 58	1 57
Honduras	2 02			0 30	0 05	0 05	16 58			3 36	10 14	2 79	0 93
Hong-Kong													
Hungary	17 85	4 90	0 80	1 77	2 16	0 07	38 07	13 14	7 56	4 89	19 71	0 90	7 91
Israel	7 03	1 84		1 41	1 60	0 32	20 34	3 97		3 45	10 25	2 47	5 45
Pakistan	9 49	0 67		1 96	3 54	0 51							
Panama	8 49			1 92	1 91	0 38	17 44			5 14	12 14	2 79	3 84
Peru													
Philippines	31 37			5 80	19 41	5 18	47 94			10 64	36 54	10 80	10 33
Puerto Rico							19 20			10 09	18 55	7 03	21 14
Syria	8 58	1 50		2 77	3 54	0 31							
Uruguay	10 27			0 67	1 34	0 30	24 40			2 53	15 40	3 79	1 86
Zambia	3 34	1 09	0 07	0 47	0 18	0 09	9 19	3 20	0 89	3 18	6 82	2 15	3 38

Table G. 7bis OCCUPATIONAL/EDUCATION L. COEFFICIENTS Ljk/X:
NUMBER OF PERSONS OF A CATEGORY j WITH AN EDUCATIONAL LEVEL k FOR ONE MILLION DOLLARS OF OUTPUT

COUNTRY	6C	1C	2C	3C	7C	0D	1D	2D	3D	7D
Canada	18.14	7.45	19.48	11.32	18.61	1.52	3.36	6.56	7.52	39.83
United States	14.98	8.04	17.72	10.85	25.91	0.44	1.37	1.73	3.02	20.20
France										
Greece										
Japan										
Norway										
Netherlands										
Portugal										
Sweden										
Yugoslavia	80.03	13.42	29.63	7.18	124.18	23.72	5.45	50.08	21.59	273.80
Argentina	36.81	7.10	33.54	13.67	20.58	10.14	12.30	47.47	56.78	177.27
Chile	16.81	5.79	27.25	11.52	14.05	9.85	4.66	9.63	26.69	130.46
Korea (S)	45.83	12.07	40.50	30.29	27.50	11.79	19.14	23.05	170.12	202.93
Egypt	57.69	14.90	33.09	3.71	5.78	2.04	5.83	36.31	151.16	301.42
Ecuador	42.66	1.89	21.09	14.59	13.22	15.36	3.00	23.18	92.15	306.17
Ghana										
Honduras	21.20	4.52	18.61	5.16	2.90	17.87	4.64	15.93	56.28	154.64
Hong-Kong	49.57	28.82	45.70	34.41	48.42	10.75	10.56	31.40	140.86	510.86
Hungary										
Israel	24.94	9.70	23.17	6.84	19.04	7.97	4.36	9.39	13.60	52.82
Pakistan	29.88	5.99	41.11	13.51	12.27	25.75	11.40	30.61	158.36	419.10
Panama	30.74	9.97	29.03	8.95	16.52	7.83	8.18	11.34	32.63	88.06
Peru										
Philippines	53.10	28.12	56.35	38.92	70.11	2.38	58.41	10.64	108.90	293.71
Puerto Rico	19.56	12.23	20.49	10.20	40.18	0.46	9.55	2.77	9.81	70.98
Syria										
Uruguay	29.91	4.61	34.37	10.86	12.43	13.24	6.10	57.07	61.68	193.45
Zambia	14.62	1.02	11.72	3.95	9.06	8.10	0.32	1.99	0.98	2.10

Annex H

BASIC DATA USED FOR THE SECTORAL/ EDUCATIONAL ANALYSIS

Economic sectors are indicated by subscript i and educational levels by subscript k :

- a) Each economic sector i is also represented by a letter:

Manufacturing	M
Commerce	C
Transport	T
Services	S

- b) Each educational level k is also represented by a letter:

University Degree and above	A
Complete Secondary Schooling and above	B
More than Eight Years of Schooling	C
Eight Years of Schooling or less	D

NOTE: The subscript for the economic sector is always shown before the educational subscript. Thus for example L_{ik}/L_i in column MC represents the number of people in sector M (Manufacturing) with educational level C (more than eight years of schooling) as a proportion of employment in sector M. Thus for Israel, the proportion of employment in Manufacturing with more than eight years of schooling is 34,08 % (Table H.1).

SOURCES:

- See the notes to Table G.1 for the economic data of each sector;
- The data on the levels of education of economic sectors are drawn from Statistics of the Occupational and Educational Structure of the Labour Force in 53 Countries, OECD, Paris 1969.

Table H.1. MANUFACTURING

Basic economic data¹

Number of persons working in sector i with an educational level k, as a proportion of
total employment Lik/Li
Number of persons working in sector i, with an educational level k for 10⁶ U.S. dollars of sector output Lik/Xi

COUNTRY	BASIC ECONOMIC DATA						LIK/LI						LIK/XI						LIK/XI					
	Xi/Li	G	EL/Xi	LI/L	MA	MB	MC	MD	MA	MB	MC	MD	MA	MB	MC	MD	MA	MB	MC	MD	MA	MB	MC	MD
Belgium	2,590	3,853	95.2	36.05	0.99	6.36			3.36	2.29							3.81				24.55			
United States	6,850	7,834	10.2	27.01	5.94	41.79	65.94	34.06	1.60	11.29	17.91	9.20					8.67				61.02			96.28
Japan	1,020	965	39.8	21.73	3.75	29.33			0.81	6.37							36.82				288.08			
Norway	3,050	2,477	49.9	25.47	1.23				0.31								4.02							
Netherlands	2,600	2,675	64.5	29.92	0.57				0.17								2.19							
Sweden	3,390	2,995	42.7	34.18	0.89				0.30								2.82							
Yugoslavia	1,460	794	19.4	11.91	1.02	7.51	40.16	59.64	0.12	0.89	4.78	7.13					6.99				51.40			274.72
Argentina	1,600	1,033	2.5	27.17	0.90	6.10	16.20	83.80	0.24	1.66	4.40	22.77					5.81				38.05			101.05
Egypt	810	235	12.2	9.48	0.84	0.92	5.15	84.55	0.06	0.09	0.49	6.96					10.39				11.36			63.56
Hungary	3,150	2,180	13.9	24.24	2.03	10.58			0.49	2.57							6.45				33.63			
Israel	3,480	1,122	26.0	23.19	2.15	12.51	34.08	60.87	0.50	2.90	7.90	14.11					6.18				35.93			97.91
Pakistan	285	56	15.4	6.19	0.28		4.72	95.28	0.02		0.39	7.81					9.82				165.57			3,340.43
Panama	2,220	8	0.4	7.37	1.09	6.88	22.64	77.45	0.08	0.51	1.67	5.71					4.90				31.02			102.04
Philippines	810	149	3.6	11.65	2.10	5.40	21.40	78.60	0.25	0.64	2.54	9.31					25.94				66.70			970.92
Poland	3,110	2,995	6.7	19.73	1.97	9.56			0.39	1.69							6.32				30.73			
Syria	810	286	18.4	11.74	0.20				0.02								2.53							
Uruguay	1,330	800	0.1	21.22	0.76	3.65	12.45	88.02	0.16	0.77	2.64	18.67					5.71				27.50			93.23
Zambia	1,730	487	9.0	3.68	0.48	6.55	15.04	84.83	0.02	0.33	0.58	3.29					2.78				49.44			87.04

¹ Xi/Li Output per employed worker in U.S. dollars.

G : Energy consumption in kWh.

EL/Xi Percentage of experts in output.

LI/L Sectoral structure of employment (in %)

Table H 2 (CONTINUED)

Labour productivity in U.S. dollars (X/L) and sectoral structure of employment (L₁/L₂)
 Number of persons working in sector 1 with an educational level k, as a proportion of
 total employment L₁/L₂
 Number of persons working in sector 1 with an educational level k for 10⁶ U.S. dollars of sector output L₁k/X₁

COUNTRY	X/L	L ₁ /L			L ₁ k/X ₁			L ₁ X ₁		
		A	B	C	A	B	C	A	B	C
Belgium	4,430	15.36	2.35	11.59	0.35	1.74		5.07	25.03	
United States	6,440	19.38	6.84	54.16	1.33	10.49	15.25	8.11	64.18	25.22
Japan	980	17.55	4.46	42.68	0.78	7.49		45.31	433.91	
Norway	4,070	13.28	1.81		0.24			4.45		
Netherlands	2,770	16.29	0.70		0.11			2.51		
Sweden	5,320	13.52	1.24		0.17			2.25		
Yugoslavia	1,850	3.18	1.29	9.85	0.04	0.31	1.04	7.01	53.33	385.41
Argentina	1,930	14.85	1.50	11.00	0.22	1.63	3.59	7.79	57.08	383.36
Egypt	1,200	6.47	1.51	1.61	0.13	0.14	0.56	12.57	13.40	55.11
Hungary		6.69	3.22	16.98	0.22	1.14				
Israel	3,810	11.84	3.40	19.03	0.40	2.25	5.85	8.94	50.00	132.81
Pakistan	950	4.92	0.65		0.03			6.83	102.64	1,022.00
Panama	2,910	9.19	2.05	13.09	0.27	1.20	3.11	10.12	45.00	227.50
Philippines	1,230	9.54	5.80	11.00	0.55	1.05	2.77	47.27	89.60	577.55
Poland					0.14	1.10				
Syria	1,170	8.52	0.85		0.07			7.20		
Uruguay	2,350	13.25	1.36	9.55	0.18	1.27	3.07	5.81	40.65	326.77
Zambia	4,920	3.03	0.96	19.58	0.03	0.59	0.96	1.96	39.83	139.17

Table H.3. TRANSPORT

Basic economic data¹

Number of persons working in sector i with an educational level k, as a proportion of
 Number of persons working in sector i with an educational level k for 10⁶ U.S. dollars of sector output

sector employment Lik/Li
 total employment Lik/L
 dollars of sector output Lik/Xi

COUNTRY	BASIC ECONOMIC DATA						LIK/L				LIK/Xi			
	Xi/Li	L/L	Y	TP	TB	TC	TA	TB	TC	TD	TA	TB	TC	TD
Belgium	3,100	7.07	53.82	0.66	7.70		0.05	0.54			2.13	24.85		
United States	7,100	5.47	179.85	3.40	45.52	69.29	0.19	2.48	3.79	1.68	4.79	64.09	97.58	43.23
Japan	1,140	5.04	31.65	3.41	40.05		0.17	2.02			30.04	352.80		
Norway	4,380	11.91	80.83	0.60			0.07				1.38			
Netherlands	3,280	.91	41.38	0.37			0.03				1.13			
Sweden	4,110	7.46	35.54	0.47			0.03				1.01			
Yugoslavia	1,320	3.00	4.51	0.78	7.88	22.90	0.02	0.24	0.89	2.31	5.91	58.70	173.48	584.09
Argentina	1,500	6.83	49.36	0.40	4.70	12.81	0.03	0.32	0.88	5.96	2.68	31.43	85.65	583.02
Egypt	1,390	3.47	2.67	1.94	1.36	10.48	0.07	0.06	0.36	3.11	13.92	13.38	75.21	643.96
Hungary	1,100	6.08	6.42	1.35	11.19		0.08	3.68			12.31	102.00		
Israel	4,370	6.25	36.20	1.60	14.52	39.90	0.11	0.91	2.49	3.38	4.12	33.20	91.24	122.71
Pakistan	950	1.75	1.03	0.74		10.56	0.01		0.18	1.54	7.72		110.64	837.20
Panama	2,450	2.86	26.05	1.40	8.05	24.50	0.04	0.23	0.70	3.17	5.71	32.84	100.00	309.52
Philippines	470	3.40	8.00	2.90	7.80	30.80	0.10	0.28	1.04	2.36	61.67	185.87	850.87	1,476.00
Poland	1,610	5.12	12.42	0.91	9.21		0.05	0.47			5.88	57.33		
Syria	1,970	3.67	12.31	0.41			0.02				2.08			
Uruguay	1,760	6.18	92.57	0.33	3.25	10.57	0.02	0.20	0.65	5.62	1.85	18.52	60.19	509.26
Zambia	2,780	1.43	14.15	0.35	10.23	22.55		0.15	0.32	1.10	1.25	36.87	81.25	276.12

1. Xi/Li Labour productivity in U.S. dollars.

L/L Sectoral structure of employment

Y Number of commercial vehicles per employed worker.

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